



Report of The Royal Commission on Violence in the Communications Industry

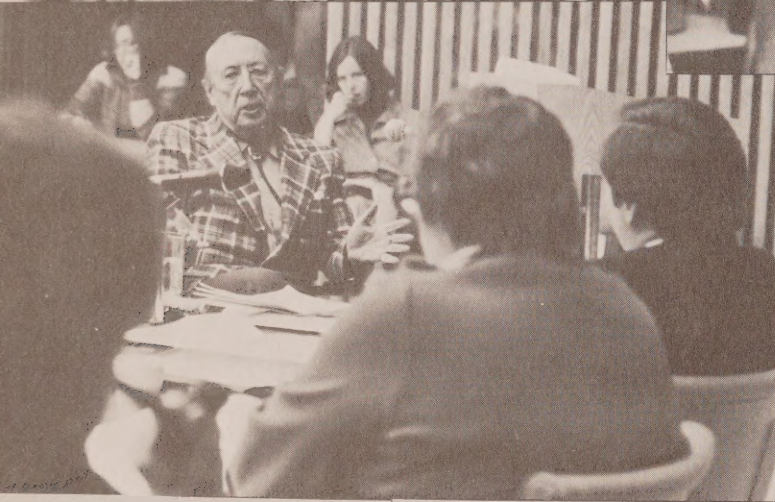
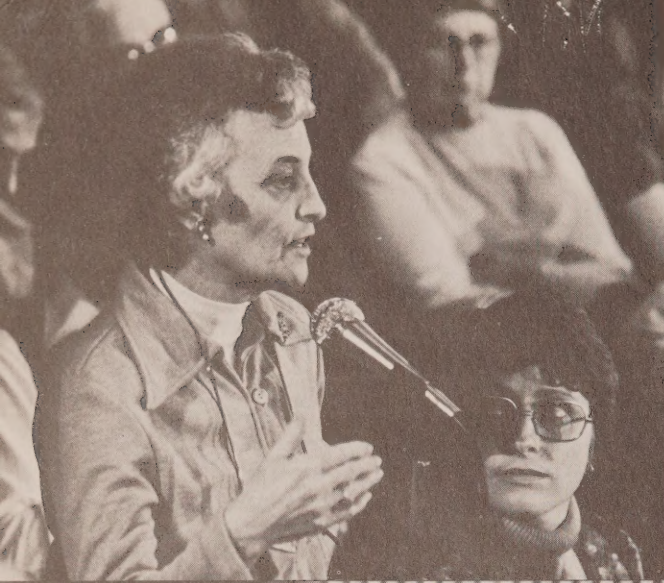
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Volume

7

The Media Industries: From Here to Where?





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The Royal Commission on
Violence in the
Communications Industry**

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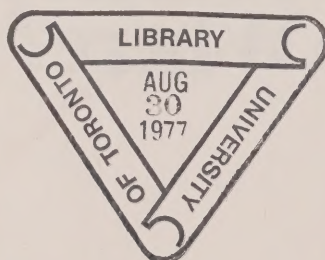
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The Royal Commission on Violence in the Communications Industry was established by Order in Council in May 1975 and published an Interim Report in January 1976. It held hearings throughout the Province of Ontario from October 1975 to May 1976.

A selection of public briefs, reports of foreign consultations and the conclusions and recommendations of The Royal Commission on Violence in the Communications Industry are published in Volume I, which is available in French and in English.

The Commission's Bibliography comprises Volume II.

Twenty-eight independent studies of the media were undertaken for The Commission and are contained in Volumes III to VII.



Order-in-Council

Order-in-Council approved by Her Honour the Lieutenant Governor, dated the 7th day of May, A.D. 1975.

Upon the recommendation of the Honourable the Premier, the Committee in Council advise that pursuant to the provisions of The Public Inquiries Act, 1971, S.O. 1971, Chapter 49, a Commission be issued appointing

The Honourable Julia Verlyn LaMarsh, P.C., Q.C., LL.D.,
Judge Lucien Arthur Beaulieu, and
Scott Alexander Young,

and naming the said Julia Verlyn LaMarsh as Chairman thereof, to study the possible harm to the public interest of the increasing exploitation of violence in the communications industry; and that the Commission be empowered and instructed:

1. to study the effects on society of the increasing exhibition of violence in the communications industry;
2. to determine if there is any connection or a cause and effect relationship between this phenomenon and the incidence of violent crime in society;
3. to hold public hearings to enable groups and organizations, individual citizens and representatives of the industry to make known their views on the subject;
4. to make appropriate recommendations, if warranted, on any measures that should be taken by the Government of Ontario, by other levels of Government, by the general public and by the industry.

The Committee further advise that pursuant to the said Public Inquiries Act, the said Commissioners shall have the power of summoning any person and requiring such person to give evidence on oath and to produce such documents and things as the Commissioners deem requisite for the full investigation of the matters to be examined.

And the Committee further advise that all Government ministries, boards, agencies and committees shall assist, to the fullest extent, the said Commissioners who, in order to carry out their duties and functions, shall have the power and authority to engage such staff, secretarial and otherwise, and technical advisers as they deem proper, at rates of remuneration and reimbursement to be approved by the Management Board of Cabinet.



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The Royal Commission on Violence in the Communications Industry

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* 1975

** 1976

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A Descriptive Study of Perceptions and Attitudes Among Journalists in Ontario

Andrew M. Osler

The Centre for Canadian Communication Studies
University of Windsor
Windsor, Ontario

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Finally, a special word of thanks to the many men and women in newsrooms across Ontario who participated in the interview process. Many of the interviews took more than an hour to complete; without exception, the interview subjects were patient and courteous, and gave thoughtful and forthright responses to the many questions.

Introduction

The gathering and processing of news is paradoxically one of the most blatantly visible of all social phenomena and, at the same time, one of the least studied. It is certainly one of the least understood by the public at large. The work of the news person, of course, is basically to tell his community about thousands of ordinary and earthshaking things that collectively involve millions of people from every corner of the world, especially that corner where home happens to be, each and every day of the year. This is an enormous task, involving the selection, writing, and general processing into news of truly incredible volumes of raw information. Like the harried shoemaker whose own children went barefoot, the news fraternity rarely finds the time or the energy to tell its own important story. Or, it may be that news people, like so many of the rest of us when asked to describe our work do not see the significance and newsworthiness of their own daily routines.

Misleading stereotyped images of news people abound, as they do of any group about whom information is lacking. Like all stereotypes, these are worse than useless. They say nothing about the tentative, almost shy, approach to life that is so much more typical of news people than the gross caricatures of Hollywood would have us believe. They give no hint of the grinding, boring routine and sheer hard work that constitute the larger part of the news person's working life. Finally, the stereotypes *do* hint at some of the frailties and problems in the newsgathering business – the cynicism, the sensationalism, the violence, the simplism, and the lack of a sense of the importance of yesterday and tomorrow. But they do it in a distorted way that only generates misunderstanding and resentment among news people, and confusion – occasionally fear – among their reading and viewing clients.

This study is essentially descriptive. Each chapter except the last one, in which a number of conclusions are drawn and suggestions made, describes rather than analyzes an element of the newsgathering process, the attitudes and perceptions of the people involved, the environment in which they work. The research material comes from the news people themselves, the men and women in newsrooms and television stations across Ontario. The writer regarded his work as being primarily to sort and occasionally to interpret, their many descriptions, anecdotes, and comments, and to organize them into a logical and meaningful whole.

The method of the study was simple, an interview process not unlike that commonly used by news people themselves in gathering information. A 32-item questionnaire was developed (Appendix A). The questions were put to 30 newspaper and television news people during August, September, and October, 1976; the answers were tape-recorded, and later transcribed

and collated to provide the portrait of the news business offered in the following pages. Every effort was made to keep the interview situations as spontaneous as possible, and only in one case was a subject telephoned for an appointment in advance. We simply walked into newsrooms and sought people who could take the time to talk with us. The people we talked with were open, frank, and relaxed; only once, in a small television news operation, were we confronted with hostility and an obvious mistrust of our research motives.

Despite the informality of the interview process, and the casual approach to subject selection, we were careful to include all sorts and conditions of news people in the interview sample. Subjects were interviewed in eight Ontario communities: Windsor, London, Kitchener, Toronto, Oshawa, Sudbury, Belleville, and Peterborough. Sixteen of the people interviewed worked for newspapers, 12 for television news operations, and two for a major wire service; collectively, they represented nine daily newspapers, five television stations, and, of course, one wire service.

The ages of our subjects ranged from 21 to the mid-sixties; 23 of the subjects were men and seven were women – the proportion of women in the sample being somewhat larger than their actual representation in the business. All levels of responsibility were represented in the sample: sixteen worked as reporters; five were columnists, bureau chiefs, or otherwise had responsibility somewhat beyond the reportorial level; and nine were senior editors or news directors.

Chapter One

News: Defining All That's Fit to Print

News is Israel's commando raid on the airport at Entebbe; news is organized labour's day of national protest against the Canadian government's anti-inflation program; and news is a young woman reporter in Peterborough finding a body under her television studio's transmission mast. News – or, more precisely, newsworthiness – is a quality apparently inherent in certain human events and situations, often mystifying to the layman, and especially to anyone who suddenly finds himself for the first time the object of a reporter's attention. Newsgatherers and processors seem to confidently and intuitively recognize news when they run into it.

It is by illustration and example, not by precise and abstracted definition, that news people universally attempt to define “news”; they can do this eloquently, assertively, and at length. Entebbe, the labour movement's day of protest, and the body under the television mast – these are all newsworthy situations, and every reporter would identify them as such. But ask a news person to define the phenomenon of newsworthiness in the abstract, and, characteristically, he or she will be hard pressed to oblige.

A very senior and very excellent editor on a Toronto newspaper was typical. In response to our third question, seeking the abstracted definition of news, he could tell us only that a news story must “inform”. As an afterthought, he added that if a story “entertains” the reader as well, so much the better. But the same man, when asked to name specific stories which excited him, and to describe the elements which made them memorable, was much more articulate and, indirectly, much more informative.

The Israeli raid on Entebbe Airport was beyond any doubt the biggest story of the decade, he told us. “And we responded in this newsroom with every resource we had, and just kept it going for days and days to show people how there may not have been anything comparable carried out even in World War II.”

And what qualities did the Entebbe story have that it merited such a marshalling of newsroom resources?

“Very, very high drama. The national dedication of the Israeli rescue squad. The underlying principle of a

country under siege deciding it wouldn't pay blackmail, and going to fantastic lengths to pluck the source of the ransom away from the ransomer.

“You know, that story had everything. It had a sense of history about it.”

Another interview subject, a reflective and scholarly man, long since removed from the hurly-burly of the newsroom and now directing the daily production of the editorial page of a large Western Ontario newspaper, also placed Entebbe very high on his list of significant recent news happenings.

“It's the risk involved,” he explained. “The potential implications internationally of something like that, plus just the adventure.” An important element in his understanding of Entebbe as the almost-perfect news story from the newsman's point of view was this: “To a certain extent [there is] the gratification I suppose some people might get in reading a story of this kind. Hostages have been taken and a country deals with it in this way – a great deal of meticulous planning and daring, bravado, if you like.”

Gratification is the key word here, the notion that the ideal news story will entertain the reader in some way, even serve as a fantasy fulfilment vehicle. This interesting notion is discussed below, along with other insights gleaned during the interview process. But for the moment, let's stay with the problem of the news person's difficulty in producing an abstracted definition of news.

Newsrooms are full of whimsical aphorisms about news, but these are rarely more than tangentially descriptive. Typical is the American Leo Rosten's semi-serious quip: “To many newspapermen, no news is bad news, good news is dull news, and bad news makes marvellous copy.”

Romantic notions about the nature of news and the reporter's ability to seek it out also abound. These deserve some mention here, not because there is any substantive logic behind them, but simply because they are surprisingly prevalent in newsrooms everywhere and they apparently help shape the journalistic ethos. Certainly their widespread presence, half-believed though they may be, supports the argument that news

people understand the news phenomenon intuitively rather than rationally. There is, for instance, the “nose for news” which, it would seem, is a sort of special olfactory talent God-given to reporters and, perhaps, to bloodhounds. City editors since time immemorial have looked for this mythic news nose in aspiring young reporters. Their basic assumption seems to be that if it isn’t present, a youngster can no more hope to be trained as a journalist than a child with a tin ear can hope to be trained as a concert pianist.

Phyllis Wilson, a teacher of journalism at Carleton University, gives this tongue-in-cheek description of the romantic notion that the ability to perceive news is matter of talent:

There is a belief, widespread in the news world, that the recognition of news is intuitive, that it is a faculty with which the select are born not bred, that a Geiger counter clicks in the heads of the gifted few in proximity to the uranium of news.¹

When the whimsy and romance of newsroom tradition are moved gently aside, and the news person is obliged to deal directly and conceptually with what constitutes news, he does so reluctantly and hesitantly. But at least the framework of a definition in the abstract begins to emerge. It runs something like this: News must be of *interest* to a great many people in the reading, viewing, or listening audience; ideally, it will be of *importance* to them as well. Twenty-eight of our 30 interview subjects offered versions of the interest-importance concept in response to our third question seeking the conceptual definition. A third ingredient, suggested by 23 of the subjects, was *immediacy* – immediacy in both the temporal and geographic senses of the word. Simply stated, this means that news is considered stale if it is more than half a day old, a time frame that reduces to mere hours in the case of the electronic media. Geographically, the closer to home a given event occurs, the greater the emphasis it is likely to receive in print or broadcast, relative to other items of comparable information content.

The response to the third question given by a London editor was, “Well, it [news] has to involve a great number of people either directly or peripherally, and it’s got to be of some interest.” A reporter in Peterborough replied, “It’s the unusual, it’s the entertaining. It’s what I need to know to be a reasonable, responsible human being.” A Sudbury television reporter explained, “If it affects people’s lives, if it interests them – that makes it newsworthy.”

A copy editor in London said, “Well, I believe that whatever it is that has happened [the newsworthy event] must affect or influence or interest a wide cross-section of people.”

The immediacy element emerged in this response from another reporter in Peterborough: “. . . how many people it affects, and how fresh it is. You can’t keep rehashing a story, even if it is a big story. And you have to remember that story might be big here but not be big in Toronto.” Finally, a columnist in Windsor

responded, “Does it matter to people who are reading your newspaper? What’s news in Windsor is not necessarily news in Sudbury. I think there’s a great responsibility to remember that newsworthiness is something people want to know about, and what they want to know about is what’s going on where they are.”

Immediacy plus interest plus importance – these basic and, in themselves, not especially revealing generalities about the nature of news can be found in any journalism school text on news writing and reporting. Professor Mitchell Charnley, for instance, agrees with the majority of our interview subjects in this definition of news in his standard book on journalism fundamentals: “News is the timely report of facts or opinion that hold interest or importance, or both, for a considerable number of people.”²

It is clear that journalists (and journalism professors, too, it seems) have difficulty dealing abstractly with the concept of news in any subtle way. The three words – interest, importance, and immediacy – become much more significant and descriptive of journalism’s realities, however, when they are examined in the working context. This is the mental environment in which most journalistic decisions are taken about news selection, writing and, editing on a day-to-day basis. The answers to the first two questions especially the second are rich in indirect commentary on the nature of news from this intuitive perspective. In these responses, the subtle but critical elements present in the news preparation process begin to emerge. These point to worrisome potentialities for distortion that are automatically built in to the process of producing the daily portrait of reality painted by the mass media.

The most significant of these problematic elements has to do with the understanding most news people bring to “importance” and “interest” as primary ingredients of news. The typical news person seems intuitively to comprehend these qualities – such a tidily matched and logical pair in our abstracted definition in such a way that he frequently finds himself confronted with situations where “important” news is uninteresting, and “interesting” news is unimportant. When choices must be made and they very often must, given the enormous volumes of available material and the severe limitations of publishing space or broadcast time the interesting but relatively unimportant item is more likely to be given the higher priority.

There is sense of this in the words of a London copy editor: “Perhaps I’m jaded by the constant flow of words, words, words across the desk, but it’s the offbeat stuff that appeals to me . . . often the little items. You read them, you get amazed, or angry, or amused, hopefully, and that’s what makes a news story for me.”

And, perhaps even more pertinently, a senior editor in Windsor commented: “You have to ask yourself how many readers would be interested in this story. This applies to important, but perhaps not interesting stories,

but it also applies to very interesting stories that are not important.

"And in that I mean the offbeat and the funny, peculiar stories, if you like. Something that happens to a person that is very offbeat or unusual. Maybe it doesn't have earthshaking ramifications, but people like to read about it."

News people seem to understand the word "interesting" as though it were a synonym for "entertaining", and it is the conventional wisdom of the newsroom that the reader or viewer must be entertained if his interest is to be held for longer than the few seconds required to scan a headline, or hear the bulleted introduction to a newscast. Though newspapers and television stations regularly carry out extensive and sophisticated surveys of their audiences' reading and viewing behaviour, the resultant data rarely find their way to the working levels of the newsroom. Such data would provide rather less than a perfect standard for newsroom personnel in many respects, obviously. But, as matters now stand, most working news people have nothing more scientific than their intuition and their traditions to guide them in deciding what items might interest – that is to say, entertain – the reader or viewer.

It is, for instance, conventionally accepted that an interesting story is a graphic story. Ideally, the material being written about will require the use of concrete nouns, active verbs, and adjectives that describe real things and real emotions. In television, of course, this means that the "good stuff" provides dramatic film clips. Print newsmen have shared with novelists for years the knowledge that every human brain comes equipped with a sort of mini movie screen; if the reader is to be grabbed and held, the words on the page must be transformed into images on this mental screen.

It is also the conventional wisdom of the newsroom that Walter Mitty, James Thurber's pathetic character who fantasized away the boredom of his painfully average life by daydreaming himself into a thousand heroic roles, is alive and well in every newspaper reader and every television viewer. News people call this phenomenon "human interest". It means writing about the extraordinary things that happen to other people in such a way that the reader or viewer can identify and, for a moment, share in something different. The category includes the tragedies and triumphs of other lives – the hardship and adventure, the bravery and cowardice, the fame and infamy, and, quite often, simply the peculiar and different. This last concept is described in the hoary newsroom aphorism which tells us: "It isn't news if a dog bites a man, but if a man bites a dog. . . ."

Finally, news people believe that audiences stay with a story if it has a strong element of conflict or controversy. It may be possible to categorize other entertaining qualities, but most news people agree that a story is "interesting" if it lends itself to graphic presentation; if it contains a powerful "human interest"

element with which the reader or viewer can identify in his fantasies; and if it has some thread of conflict or controversy.

Something of the sense of the news person's appreciation of the "interesting" in the news is evident in the words of a Toronto reporter as he described the attempt to kidnap the daughter of a well-known Toronto family in mid-1976. "The Eaton kidnapping was pretty sensational, you know. One of the big families in Toronto. It's the kind of story that, you know, you can really jazz it up and it's got a lot of thrills and we go for that kind of stuff."

An extreme example? More blunt, and perhaps more cynical than most, but not especially extreme. A television reporter in Kitchener gave us this insight as he described his interview with a woman who had lost everything in a flood. "... in the course of the interview, a little tear trickled out of the woman's eye and proceeded down her cheek. Well, he [the reporter's accompanying cameraman] was on his toes, and he zoomed right in on that tear. Shortly after, a flood relief fund was set up, and I don't know how many thousands of dollars that little tear contributed."

Clearly, the reporter's motivation here was decent and pro-social, but both instances describe a common pattern in the news fraternity's perception of what constitutes "interesting" news.

So much for the notion that news must be "interesting"; what of the notion that it ought also to be "important"? Unfortunately, as we have suggested, important news is not necessarily interesting news. All too often, it seems, important, but essentially abstract, processes go on in society – processes of public finance and public administration for example, processes within a changing society and its institutions which lend themselves to abstract consideration now, but will have no concrete reality until some remote future. Public awareness of these things is often critically important, yet their very abstractness makes them difficult to write about, difficult to present visually on television, and (according to newsroom convention) difficult for the reader or viewer to absorb. The result is that they tend to be neglected in the news. However, we found that the problem is recognized, and apparently worrisome to, at least a small core among the news people we talked to – five of the total sample, to be precise.

One of the most illuminating comments on the problem was offered by the head of one of the CBC's news operations in Ontario. He used as an example the recurring news items about the patriation of the British North America Act.

"That story may be boring to people, and we try to make it interesting, but there's only a certain amount you can do to make it interesting.

"But is of extreme importance, and we have a secondary responsibility as news people to not only inform at the lowest mass level, but to inform at a somewhat higher level, too."

The authors of a federal government report in 1969 that recommended, among other things, the establishment of the now-defunct Information Canada, recognized this phenomenon when they described, somewhat flippantly the reporting of federal affairs by the members of the National Press Gallery:

The Press Gallery at Ottawa would rather report the rivalry of cabinet ministers, or the gay times in the Commons question period, than the technicalities of some new legislation to aid immigrants. The mass media as a whole would rather report the daily score of prime ministerial kisses than government subsidies for adult education.³

A final note about the distorting qualities in the news person's intuitive perception of the concepts of "interest" and "importance": it is ironic that, while the important is frequently subordinated to the interesting, on the relatively rare occasions when news is *both* important *and* interesting, it is sometimes overplayed. The Entebbe incident may provide a case in point. It received enormous coverage, and, as we have said (see Appendix B), it was regarded as a highly significant news story by Ontario news people.

As a news story, Entebbe had everything a reporter might wish for in terms of "interest", and at the same time, it surely was "important" by anyone's absolute standard of such things. But did it really deserve the extraordinary emphasis it received? Dramatic and exciting though it was it was really just one incident of bravado in the much more important (but generally "uninteresting") continuum of evolving relationships in the Middle East.

Immediacy, the third prime concept in our conceptual definition of news, also has potential for distortion of reality when it is considered at the intuitive level of understanding where the news person ordinarily deals with it.

Temporal immediacy – the imperative that news must be a chronicling of events as close to the fleeting present as possible distorts the public's media-created portrait of social reality in two ways. First, the news person has difficulty dealing with information as news when it is generated by a process of evolving activity over an extended period of time. Second, and closely related, is the view that news must be new, even when it can be seen as a clearly detached event in a short time span. Regardless of an event's absolute and historic importance, it loses its news value in as short a time as 12 hours. But, if a new "angle" can be found, a forgotten detail gleaned and emphasized, an aging story can be made new again for another half a day.

Consider, for example, the 18 to 24 months of media coverage leading up to the Olympic Games in Montreal. The preparations for the 1976 Games involved the organization over an extended period of time of vast human, financial, and engineering resources – in other words, a process, leading to a future conclusion. Yet a review of the bulging file of media coverage will recognize that it was not presented as a process at all,

but rather as a collection of unrelated crises, calamities, and occasional triumphs – each occurring within the isolated and abbreviated time frame allotted to it by the media.

The importance of temporal immediacy to the newsman was underlined in many of our interviews. Twenty-one of the thirty subjects made some important reference to the phenomenon as a necessary component of news. Here are some examples.

A wire service writer in Toronto said, quite succinctly, that a news story "has to have some new angle to it." At an Eastern Ontario television station, a reporter told us, "The more immediate a story is, the higher up it goes in terms of its priority."

Another reporter, an employee of an Eastern Ontario newspaper, placed immediacy at the top of her list of newsworthy qualities: "It is easier to cover events if they are immediate and happening at the moment."

Finally, we recall especially a reporter in Windsor who, in response to our first question, had momentary difficulty recalling any news stories of the recent past, let alone the two or three most important ones. "That's damned hard," she said. "Every week there's a bigger story and every day. News constantly renews itself, and every day there's a new big story. I just go by the lead story of the day; I don't think in terms of the biggest story of the year."

Immediacy in the geographic sense is also an important quality in establishing newsworthiness priorities. It, too, has a distorting quality, at least to the extent that news people feel constrained to give highest priority to events close to home. (Again, see Appendix B.)

Geocentrism is natural enough, of course, and an editor or news director who did not give comprehensive coverage of his home territory would not be doing his job. Granting that the local emphasis in news is more to be encouraged than discouraged, it still appears that the phenomenon sometimes gets in the way of developing adequate national and international perspectives in audiences.

For instance, the continuing story of organized labour's day of national protest against the national anti-inflation program in Canada was the most mentioned story in response to our first question; 16 respondents listed it as one of the three most important news events of the period. However, seven of these 16 people, described its importance on a local rather than a national scale. In Peterborough, we were told the day of protest was important because the Outboard Marine Corporation and Canadian General Electric employ many local citizens who, of course, are active unionists. In Oshawa and Windsor, we were told that the presence in their respective populations of thousands of members of the United Auto Workers' Union made the day of protest a most important local story. And in Sudbury the day of protest was considered important because nearly everyone in town works for one of the two nickel

mining corporations there, and is therefore a member of the giant Steelworkers' Union.

Converting a national story into a local story is probably more a matter of mild interest than serious concern, and it is quite natural that everyone, news people and their readers and viewers alike, should be most concerned with the world that immediately surrounds them. But a world thus understood is a world misapprehended, and this should be a matter of concern.

There is another matter of greater concern, however. When the media bring information into the community from the world outside, there is a tendency to select items which *might* have happened at home. Unfortunately, such items often have violent themes; collectively, they paint an unfairly violent portrait of the outside world. The reporting of a small but steady diet of bank robberies, rapes, murders, and so forth from other communities, in conjunction with occasional reports of local versions of these and other crimes, tends to suggest to local audiences that such crimes may be more prevalent at home than they are in reality.

Violence: “Nobody Wants to Read about Good People”

News people as a group are not inherently violent – at least, they have no greater predilection for the actual or vicarious experience of violence than any other group in society. Perhaps they have a lot less than some. Public stereotypes of the news person may suggest otherwise (a concept discussed in Chapter 3) but, by and large, in our interviews, we were impressed with the very *ordinariness* of news people. As private individuals, they share with everyone else the ordinary joys and concerns associated with the common human commitment to the building of decent lives in safe and civilized communities.

This notwithstanding, however, the preponderant evidence of many studies of news content demonstrates that a mild Jekyll-to-Hyde transformation seems to occur when the ordinary citizen turns himself or herself each day into the working news person.⁴

Doubtless there are many reasons for this phenomenon, but one which seems especially significant, and which was evident in the interviews, is the fact that information about human and natural violence makes nearly perfect news. In the light of the intuitive perception of the nature of news, it is clear that information-generating situations which contain powerful elements of violence almost inevitably fit the news person's intuitive rationale, with all its inherent subtleties and contradictions, that news must be “interesting”, “important”, and “immediate”.

The news person, therefore, tends to gravitate toward violent information, not because it is violent *per se*, but because all his instincts and traditions tell him it is intensely newsworthy.

Clearly, information about a rape, a bank robbery, and explosion, a hurricane, or even the stealthy and sophisticated computer theft of corporate funds, is “interesting”. Violent events are almost always concrete situations, readily lending themselves to graphic narration; they generate clearly identifiable heroes, villains, and victims acting their parts in richly human emotional circumstances.

Violent events are immediate in both the temporal and geographic senses. Temporally, they are unexpected and sudden, and they run their courses quickly. Even

the political or financial scandal or controversy tends to break swiftly and unexpectedly, at least as such occurrences are presented as news.

An American scholar, Todd Hunt, has suggested that an important distorting element in all journalism is the reporter's tendency to see news items as “events” rather than as aspects of “processes”.⁵ Processes are difficult to write about, given journalism's traditions and the journalist's intuitive understanding of the nature of news. Reporters inevitably attempt to extract “events” out of “processes”; when this is difficult or impossible to do, the information may be underplayed or ignored. When an “event” stands naturally isolated from “process”, however – as is so often the case, superficially at least, with violence – news people gravitate to it. One example, already discussed in another context, is the event-centred approach of the media to the story of Canada's recent Olympic Games; another example of a process being distorted by event-centred journalism must be the tortuous course of the Watergate affair in the United States.

Violent news also tends to be geographically immediate. Not, obviously, in the sense that all industrial explosions, all spectacular air disasters, and all illegal misuses of municipal funds occur in one's home town but, rather, in the sense that almost all such events *could* happen there. This phenomenon has been described as “psychological proximity”, a term that simply means that some news, usually violent news, has a universal quality – it can happen anywhere, but people thousands of miles away will be interested because it could have happened where they are. An earthquake in Peking, a rape in Toronto, or a man wrapped in dynamite blowing himself up in a Sudbury bank, all of these have psychological proximity for the reader or viewer, wherever he or she may be.⁶

Finally, violent news, like stories in all other categories of newsworthy information, *can* be genuinely important to know about. When it is, and when its importance is coupled with inherent qualities of immediacy and interest, there is a further tendency for the media to overplay it.

Our hypothesis that violent information almost

perfectly fits the news person's intuitive perception of what constitutes news, and therefore may be overplayed, is powerfully supported by our interview data. In response to the fourth question, asking what sorts of news situations which would trigger maximum utilization of newsroom resources, the scenarios described were, without exception, violent and dramatic.

In fairness, it must be pointed out that four interview subjects described scenarios in which violence, though clearly implicit, was not necessarily direct and physical. A Toronto editor, for instance, suggested that the unanticipated resignation of a prime minister, pressed by powerful political forces, would generate maximum resources mobilization in his newsroom. But such exceptions were rare; the great majority offered scenarios describing overt, physical violence. Some typical examples follow:

"I think generally spot news events of various kinds. It could be a race outbreak in Detroit, rioting or something like that. Or mentioning one locally, about 18 months ago a gunman took a couple of children hostage in a farmhouse east of the city [London]."

"Well, I think a sniping. Yeah. We've had a couple of them here (Peterborough) and they had everybody scrambling around."

"... a schoolbus accident. I don't know if you remember, but we had a serious schoolbus accident in Amherstburg [Windsor] eight or nine years ago, and there were eight children killed."

"Good things just don't seem to happen as traumatically as bad things. So, specifically, it would have to be somebody escaping from jail, a murder, a bad car accident, some sort of tragedy."

"It's got to be the crime or disaster. Or some major political development in Canada. But I'm afraid it's the crime or disaster that makes us jump."

"I'd say blood and gore stories. I used to do surveys when I used to work for the radio station [the subject now works for a wire service]. We used to go out on the street and talk to people, and it's so true. Those are the stories that really grab people – where there's death, a lot of death. You know, more than one person killed. More than a thousand, preferably. An airplane crash. . ."

And so it goes. In response to our seventh question, 27 interview subjects said that they believed most members of the reading and viewing audiences are likely to pay more attention to news items when they contain an element of tragedy or violence. The news person's perception of his audience is dealt with more fully later in this report, but it is important here to realize that, when the reporter is writing the violent story, he believes it is a story his audience will read or view with careful attention. A London reporter gave us this insight: "When you write a story about a dull committee meeting, even though you might give it a gimmicky lead and make it as readable as possible and

kind of bright and funny, I'm sure you don't get the readers that you do on a violent or sensational or racy story."

An Oshawa reporter told us that people "most definitely" prefer violent news. "Violence gets people. It's not a nice thing to say, but it's true. A murder – that will strike all kinds of people. They get interested. Somebody gets attacked or a woman gets raped, these things stir people up. You know, you look through history that the most fascinating people are the Hitlers, the Napoleons, the Al Capones, – these fellows. Nobody wants to read about good people."

Perhaps nobody does want to read about good people; news people certainly seem to believe this is the case. Our sixth question asked the respondents to discuss the general criticism that violence may be unduly emphasized in the news media. A solid majority, 18 of the total, objected, expressing the view in one way or another that most outside criticism of media violence content was unwarranted or unfair. (Ten felt the criticism was fair, and two were uncertain).

The two main defensive themes in the responses were that news people are giving the public what it wants and that they are simply describing the world as it really is – and critics are seeking to avoid reality. These themes, singly or in combination, were presented by 19 of the subjects at some point in their responses. Some of the comments were:

"... we're only a mirror of society. We don't make the crime happen. We just report it."

"I think in many instances reporters and editors and television people do go after the sensational, but it's because they know that's what brings the readers and viewers."

"Well, it's not all peaches and cream out there. You might as well tell it like it is. It's out there, and they might as well be aware of it."

"... people have always criticized the bearer of bad news. It would be pretty irresponsible for the news media not to report crime and disasters and violence because it's part of life, part of our whole experience."

"Well, damn it, this criticism is probably being made by readers, and they just can't have their cake and eat it. The world's just on the edge of its chair watching, and it's our job to present this grisly nonsense to them. Then they criticize."

"If you don't know, or if it's not impressed on your mind that there is such a thing as crime, that there is such a thing as violence, and that the bizarre does happen, then what kind of shape are you going to be in when it ultimately happens to you?"

While the sixth question sought general comments about violent news coverage, questions eight and nine asked about specific possible social consequences of violence reporting. In question eight we asked our subjects to consider the possibility that media coverage of specific violent incidents might generate tragic imitations – that the report of a subway suicide, for instance

(now very rarely reported, incidentally), might create a rash of such tragedies. The ninth question raised the possibility that some individuals and groups may become unreasonably fearful of the potential for violence around them as a result of the magnifying effect that media emphasis or focus upon specific types of violence can produce. For instance, if the local media report two or three instances of old people in the community being attacked and robbed, and wire accounts of similar instances from other communities are added as they occur, the *possibility* of such an incident occurring in their own lives may be intensified to an imagined *probability* in the minds of many elderly citizens – to the point, perhaps, where they assume, quite incorrectly, that muggers lurk in every alley and doorway.

In response to question eight, 23 subjects recognized the possibility of imitative behaviour, but only a minority, eight, felt the press had any clear moral obligation in the matter. Among those who recognized a problem, but felt no special obligation, two themes tended to repeat themselves. The first was that the cure – the non-reporting or downplaying of violent news – would be a restriction on press freedom, and therefore worse than the disease. Second, the downplaying or elimination of such news items, while possibly desirable in one sense, would have negative effects; it might encourage wild rumours and generate public accusations of news suppression by the press. A representative sample of the comments follows:

"I just cannot see how you can have a free press operating and have newspapers start playing a social role saying, 'We must play this down because of the possible result'. Now if you don't want a free press, if you want some kind of government control, that's an entirely different thing. But I think it's a price that has to be paid."

"... I agree that [a report of bizarre violence] does spark more things of the same nature. But the cure, which is censorship, is worse than the disease."

"If we [a Toronto daily] had downplayed this story [a shooting incident involving death in a Brampton, Ontario, high school] I think the community, especially the Brampton community, would have wondered why, would have wondered what was being held back or suppressed. The paper's credibility would have suffered if it had treated the story as less than the shocking event it really was."

"Such stories are going to spread anyway. . . in many ways there is less chance of folk legends being built up [making heroes out of villains] by getting the facts out in the first place."

"We can't possibly try to second guess what any kook is going to do. We're not qualified to make that kind of judgment. And if we got into that, we would be censoring everybody's story that we ever put out."

Finally, these comments from individuals who did

not see the imitative behaviour problem as a question that need concern the media:

"I don't think if one story appears three days in a newspaper, and gets maybe a little extra coverage in television and radio, that it's going to be the sole factor that's going to cause a second skyjacking or a second school shootup. I think there are a lot of people who think that the press and the media have a lot more power than they really do."

"I don't think we have to apologize for covering a big news story. If it encourages somebody else to do the same, I don't view that as my problem. That's his problem."

Question nine dealt with the possibility that excessive media attention to violent events might create the false impression that violence is far more prevalent than it really is. We were struck with the fact that nine of the interview subjects simply had not recognized or considered the possible existence of such a phenomenon. The great majority, 24, even if they recognized the theoretical possibility of the phenomenon, did not admit to its practical reality. Their answers indicated that they believed the media to be providing the public with an accurate portrayal of the violence in its midst. Here are some of the responses we received:

"I don't think there can be too many young ladies worried about being raped. I don't think there can be too many little old ladies worried about being mugged, because these are real dangers in our society today."

"It's going to happen whether it's reported or not. Perhaps it's a good thing that if somebody's going to stalk the underground garage you should be prepared."

"In my experience, it's simply not true. In Toronto, where I live, I don't see any evidence that people are afraid to walk the streets at night, because they're doing it. There's no area of Toronto that I'm aware of that people feel unsafe at night . . . So I'm really doubtful that the theory has any basis."

"... I'm not a sociologist, and I haven't done any surveys, but I don't buy the thing that people are holed up in apartments trembling, afraid to come out on the streets because of crime and underworld stories they read in the newspapers. I just don't think that it's true."

"The sociologists should read the stories about children playing on the streets of Belfast, totally ignoring the blood stains on the sidewalks and so on. They have simply grown accustomed to it."

Chapter Three

Perceptions: The News Person's World

A number of our questions were designed to elicit the perceptions of news people about themselves as human beings and as journalists, what they believe the world thinks of them, and how they view the work relations and the economics of the news business.

The answers were complex. Though our interviews yielded an abundance of insights, there were few dominant themes which could conveniently be isolated and described as foundation blocks. The selection and description of the most salient insights, which might collectively describe the journalistic mind, proved difficult. A general overview did emerge, however and, though such generalities are of limited analytical usefulness, this overview does provide an orientation for the discussion that follows.

Our overview is of a rather melancholy landscape. Among other things, it reflects a peculiarly innocent cynicism struggling with an almost Quixotic idealism for possession of the journalistic mind; a detachment from society – an acute awareness of the journalist's non-participant status as social observer that verges on shyness; a rather bitter sense of being unappreciated and misunderstood by the general public; and a sense (that has vague psychological overtones of martyrdom) that, despite all the hardships, the work of the news person is very important to society and must be done.

Moving to the specifics, we separated the information gleaned into three areas. The first involves perceptions of the news person about himself and his work; the second deals with his understanding of the public, and his perception of the public's understanding of him; and the third treats some economic questions and aspects of newsroom work relations as these touch upon the news person's self-perceptions.

A. As They See Themselves

In question 24, the interview subjects were asked to rank their jobs against other occupational roles in terms of their importance to society. We hoped that the types of comparative occupations mentioned might reveal something of the collective self-image of the news person, and this did prove to be the case.⁷ While collective impressions by no means apply to all individ-

uals, in this case there emerges a very clear self-image of the news person as an important, altruistically motivated social servant.

Most subjects categorized their work at professional levels in human service occupational areas. Five individuals chose not to answer the question (an interesting point which we will consider in due course), leaving 25 individuals producing 50 occupational relationships. Of these, 30 identifications were made with occupations in an arbitrarily established social service grouping consisting of teaching, the law, social work, medicine, politics, and professional service aspects of public service. The occupation most mentioned was teaching, with 15 subjects seeing a parallel between journalism and the work of the classroom. Seven drew parallels between journalism and various business management functions. While these identifications with management are not especially significant statistically other than as a measure of the news person's relatively high sense of his occupation's ranked importance, it is interesting that only one subject equated his work with that of the public relations executive, and none drew parallels with any aspect of advertising. The balance of the responses were statistically unimportant; they ranged across a wide selection of individual possibilities, including two mentions of blue-collar occupations and one of professional sport.

Clearly, the relationship between newsgathering and social-service occupations is important to an understanding of the news person's self-image, but statistics tend to be rather barren, and a better sense of their meaning in human terms is to be found in the words of the respondents.

"Teaching, I guess that's one," a reporter told us. "I think the press offers an equivalent or comparable service to society as does the teaching profession." Another reporter offered, "Well, I'd say teaching, and social work for another. Generally, those are the areas I identify with."

"Perhaps this sounds a bit pompous, but I think news people are valuable. A good reporter is like a good teacher, in a way. You are imparting knowledge, and

hopefully people will learn from you,” answered a young female television reporter in Windsor. A writer for a Northern Ontario newspaper said: “Some type of counselling work, perhaps being able to deal with children. Social work, I guess.”

This theme was a very common one. The five subjects who refused to answer the question gave similar and rather idealistic reasons having to do with their disapproval of any view of society that allows or suggests rank ordering of occupations. A typical response, from a copy editor in London was: “Who’s more important, a brain surgeon or a garbage collector? Well, if the garbage collector goes on strike and the garbage piles up around the hospital, then the garbage collector suddenly attains a great deal of importance . . . I don’t think there are parallels. It’s like asking who’s more important on a football team – you can take one person away, and the rest of them are going to get their lumps and feel it.” And an Oshawa reporter said, “I don’t buy this importance nonsense at all. I think as long as a person’s doing something that’s legitimate, they work hard at it, they give it their best – I think that’s all you can say about it.”

The fifth question, asked whether the business of newsgathering tended to set news people apart from the mainstream of the population, whether it made them different from other people. Most subjects did perceive important differences, often rather unpleasant ones, and certainly quite extraordinary when placed in juxtaposition to the journalist-as-social-servant theme just described. In summary, they said these things about themselves: The news business makes its people cynical and callous; it tends to desensitize them to the human origins of the stuff they call news (these concepts come variously from 15 subjects); and it tends to make them cliquish among themselves but to some extent aloof from the general community (according to 14 responses). On a more positive side, eight people gave some version of the notion that reporters are more realistic than most people; that they are keen observers and far better informed than the bulk of the population; and that they serve as society’s watchdogs when the rest of us are asleep or blinded to dangerous realities.

Dealing with these perceptions in the order of presentation, we were struck – but not especially surprised – by the number of respondents who felt that handling news makes them more callous, more cynical about human behaviour and motivation, than most people. The idea that news people *should* be cynical and callous is an ancient part of newsroom lore, but we perceived a quality to the comments that went considerably deeper than an automatic expression of loyalty to a tradition. For instance, many of the subjects were quite specific about the causes of this occupational syndrome. For some, the callousness developed as a psychological shield against the shock of too frequently witnessing the reality of gross physical violence, or its aftermath. For others, a certain dry cynicism was bred of too many

years searching for – and finding – chicanery and self-seeking behaviour in too many ambitious people, both in and out of public life. Still others – and this was the saddest in a tragic litany – felt that a generalized contempt, seemingly for all mankind, is generated from observing patterns of human behaviour ranging from fearful obsequiousness to lying bombast; most journalists, after a very short time on the job discern these characteristics in many of the people they must interview and write about.

Comments extracted from the interview responses to our fifth question are instructive. We begin with the entire response of a Western Ontario television reporter: “I think it ([the news business] makes him more cynical. We’re conned and lied to by so many people. They’re covering something up, they don’t want you to dig too deeply, or, worse still, they tell you something off-quote, and then you have to betray a trust in order to use it. Basically, I think the politicians are the big ones. They lie to you, switch their stories, or they may take half an hour replying to a question, and playing the tape back you find they’ve said nothing.”

A woman reporter in Peterborough observed, “We tend to be slightly cynical. You come across so much that’s going on every day, and so many people are hurting each other and doing so many bad things that you just accept it. You shrug and carry on.”

These comments are typical, but there was something especially noteworthy – even poignant – in the remarks of a wire service editor describing the psychological problems involved in writing about gross violence. He saw callousness as a necessary defence mechanism, and cited as an example a newsroom conversation while his people were processing copy about a major air disaster in France. The crash took place in a wooded picnic area, he said, “and we were joking . . . wondering what kind of wine, red or white, the French would want to drink at this sort of thing.”

“It’s fairly morbid, morbid humour. But I suppose it’s the only way. If we were to stop in the middle of our shift and think about the immensity of 300 people just being consumed in a ball of fire, and really think about that, it’s very easy to go to pieces over something like that. And we couldn’t go to pieces. We had to get this story out.” Elsewhere in his response to the same question, he said, equally perceptively, that life in its entirety can eventually become a joke to people who survive long careers in news work. “It all becomes a joke . . . the really better journalists at the end [of their careers] are tremendously brilliant satirists.”

The second theme, that news people tend to become desensitized to the human origins of much of the news they write, could also be described as a defence mechanism. But it is a subtle concept, and we were rather surprised that a significant number of our interview subjects mentioned it quite specifically as a facet of some importance in the journalistic self-concept.

Basically, desensitizing is the process of becoming

inured through familiarity: the first car accident, involving death, that a person witnesses shocks him to the bone; the second, not quite so deeply; the third, less still; and – eventually – the sight of such horror, the theory goes, leaves one emotionally untouched. People seeing violent death in car accidents, it might be argued, have something in common with astronauts on a third or fourth trip to the moon – both groups are involved in matters of unremarkable routine. Much has been written about the concept of the desensitized audience of news and other forms of mass mediated information, but there have been few studies dealing with the desensitization of the writers and processors of news. For this reason, it seems worthwhile to offer a selection of the comments we received.

A woman in Windsor, who had been assigned the police news beat, said that she found herself, in time, falling into the habit of using police jargon as a part of a process of desensitization. “I found myself referring to fatalities (violent accidental deaths) in an MVA (motor vehicle accident). And that meant that somebody had died in a car. I thought about it, and thought this is ridiculous. That’s a human being who died out there, and yet I’d become so detached it was just another fatal and an MVA.”

A Toronto editor described his repeated experience of coming home with what are, to him, matter-of-fact items of news and gossip about their processing, and suddenly realizing he is shocking his family in the retelling of them. “It’s very hard to take anything seriously. I shock people by coming home . . . and I start telling this, that, and the other thing, and they say ‘My God, that’s horrible.’ And I guess it *is* horrible. You certainly notice that.”

Not everyone used the word desensitization, of course, but the concept was implicit in a number of comments. For example, an Eastern Ontario reporter explained, “You don’t react (to violent events) as emotionally as many of your friends would under the same circumstances. It’s a matter of getting the facts, and then maybe afterwards you react.”

The most impressive comment on the problem came from a senior Toronto editor who is involved in the work of newspaper criticism. “I’m afraid the hard-nosed newsman becomes desensitized. The news is a commodity, and you learn to treat it very professionally. I mean, without any personal involvement. You lose a sensitiveness to what really matters in the community.”

Though it has, perhaps, only a superficial bearing in this context, it was interesting that this individual also felt the desensitization process produces long-term negative reactions in readers. “As I say, we treat news as a commodity. A story comes in about a politician who is embarrassed, and that’s automatically a good story because the son-of-a-bitch *is* embarrassed. And we lose sight of the human meaning, and treat it professionally and skilfully as something that’s going to

intrigue readers. In a sense, it does. But it also leaves them unsatisfied, I think with what we are doing. We’re not really touching them in their own lives, in their own concerns.”

The third theme – really a cluster of closely related self-concepts about the newsgatherer’s personality – describes news people as cliquish among themselves, often obeying a powerful herding instinct, and yet quite set apart from the mainstream of society. In the social context, a number of our interview subjects described themselves quite frankly as loners and non-participating observers. One person suggested news people are basically quite shy, while 14 others, suggested or implied that news people are socially detached.

The idea that news people tend to be exceptionally cliquish was best expressed by a reporter in London who described news men and women as people who “breathe on each other an awful lot, particularly when they are in close proximity . . . covering a candidate . . . and that’s a bad situation.

“The newsman who doesn’t consort with his cohorts is branded an outsider. There’s a certain fraternity amongst newsmen that goes beyond fraternity. You might call it incest, if you want to, and they pick up each other’s ideas . . .”

Another reporter, a woman in Toronto, described her social life as being mainly with other journalists. “I suppose I’m not very good at chit-chat,” she said. “I like to get down to the nitty-gritty and talk about issues, and I don’t really find many people who care to do that on the outside.” She described people outside the news business as “the civilians”.

Another reporter, a man in Sudbury, described the cliquishness of the news fraternity, and then talked about the obverse side of the coin, the detachment of many journalists in the broader social context.

“I don’t want to sound snobbish, but you do become cliquish,” he said. “I don’t think there is any place that can be as exhilarating or as boring as the press club.” Then he went on to describe the other aspect this way: “They [the journalists] are on the sidelines, so close to the action, people rushing past on either side, and they get a real vicarious rush out of it. I’ve got a little theory that basically shy people become reporters. It’s their way of getting in on the action.”

Others alluded to, or described quite directly, the news person as the detached, non-participating observer of society, often a social loner. A reporter in Peterborough offered this sad little aphorism: “I think it’s true, an observation made by a teacher I once had, that the newsman’s only true friend, the only real friend he can have, is his wife and even she watches what she says.”

A number of the respondents saw the detachment phenomenon, as a necessary virtue in news people. An editor in Windsor explained it this way: “You can’t really have a lot of close friends in the community, because one of these days you’re maybe going to have

to step right on a close friend's toes. You tend to be, perhaps in that aspect, a little inbred in that your close friends and the people you talk to every day are other news persons. I don't know whether it's good or bad, but, obviously, in these days when you are supposed to keep yourself aloof and free from any connections in the community that could distort your news judgment, you don't have a lot of friends in the community."

Clearly, this man sees something of a virtue in the fact of journalistic detachment, despite the obvious pitfalls – that it leads to desensitization and cliquish "incest" and all the rest. And he is right in that a very positive argument can be made that detachment is necessary, to some degree at least, if the news person hopes to approach his work fairly and objectively. There would be justifiable cause for concern, for instance, if the daily allotment of political news was being reported by a dedicated and involved member of this or that political party. Be that as it may, the important point is that most of the respondents tended to see, if not virtue, at least necessity in most of these facets of the journalistic self-image.

When viewed in a certain context, desensitization, for instance, may mean the retention of sanity; cliquishness and detachment may in fact be the unfortunate but necessary handmaidens of integrity. However, there must be alternatives with fewer negative aspects, and some possibilities are discussed in the concluding chapter.

The most outstanding positive facet of journalistic self-perception is that the news person believes himself to be extremely well informed about his community and his world – vastly more so, in fact, than most of his fellow citizens. Closely associated with this idea, our interview data shows that news people also see themselves as having a special ability – shared with no one outside the craft – to observe society keenly, dispassionately, pragmatically, and completely. Whether or not this self-image is valid the respondents strongly and universally believe it is – so much so, in fact, that these facets are the core of their belief that they are members of a unique fraternity.

There was no individual in the interview group who did not make some allusion to, or specific statement about, these aspects of the self-image. A selection of their comments follows.

An Oshawa reporter commented, "A reporter tends to become a real observer of the world at a very concrete level. Now, that's different from someone else who could be a participant at a concrete level. The reporter, in my opinion, seems to be able to get more of a grasp of things that are going on in the real live world of the average citizen."

A Toronto reporter explained that a reporter is frequently privy to more or less confidential information, much of which may never see the light of print or broadcast. "This gives you, I think, a unique kind of background to everything that happens in the world

around you, and probably sets you apart from people who have nothing to do with the news business."

In Sudbury, a reporter who covered city council explained matter-of-factly, "... it's the local political scene in which I am far more knowledgeable than Joe Q. Public." A young woman reporter in Toronto said, "A newperson wants to be sort of in on things as they are happening, and you have a better chance ... it's still exciting to be in on the beginning stages of a story, when you find out something has happened before almost anyone else has."

A perceptive comment came from a senior newspaper editor in Western Ontario: "You [the reporter or editor] know some things that a lot of other people don't know; you are aware of things developing in your community that have perhaps not been made public yet. You know of personalities who react in certain ways; you know that, predictably, certain people will say certain things and mean other things. Yeah ... I think you're a person apart, especially in these latter days when editors are supposed to keep to themselves, isolated from the community really."

While these aspects of the news person's self-image are clearly positive, there are problems which the news people themselves perceive.

A senior television newsmen told us: "I suppose in terms of seeing the world unfold, we are a little apart. I think it is important not to set yourself too far apart, though. You risk becoming arrogant and very all-knowing." Finally, a television reporter commented, "You have to pretty much keep in tune with what is going on around you; know enough not to appear like a complete fool when you're dealing with a subject that you don't know anything about."

B. Relating to the Public

Most news people believe that the public grossly misunderstands them, misconstruing by warped stereotyping the very nature of the news person's personality and the motivations he brings to his work; and misunderstanding to a point of total ignorance the nature of newsgathering and news production processes. Fully 25 of the people we interviewed offered strong statements which might be summarized by this sort of collective generality. This phenomenon is certainly one of the most interesting to emerge from the entire study. The problem is discussed at some length in the concluding chapter; what follows here is more descriptive than analytical. Of all the human stories news people research and write, the most neglected is the one about themselves. What is even more troublesome is that the problem seems not to be recognized: the attitude of most news people is that, if the public has stereotyped views of news people, it is the public's fault and something news people must suffer with stoic silence. Rarely in the interview data is there any suggestion that aspects of the stereotype might come uncomfortably

close to reality, and thereby constitute an appropriate cause for concern among news people.

The answers to question 25 provided most of the insights we gleaned in this matter of the news person's perceived relationship with the public. They asked for each subject's view of the public perception of a news person's work and role in society, and for the subject's perception of the fairness and accuracy of this view.

The dominant theme in the responses was that the public simply does not understand. Though the word "martyrdom" is never used, something of the concept is certainly implicit in many of the answers. The news person seems to feel that he must do what he sees as his important and socially useful work despite what he sees as a public misunderstanding that frequently imputes tarnished and, not infrequently, downright anti-social motivations to him.

"They [the public] see us as sort of second-class private eyes, digging into other people's business and not very nice people. I don't really think the public has any idea at all of what we do," commented a woman television reporter in Peterborough.

"I often feel that the public looks upon us as a bunch of clowns floundering around looking under doormats and through keyholes. I don't think the public realizes the really serious attempts we've been making in recent years to upgrade the type of people who come into the newspaper business," said an editor in Windsor.

Another reporter in Peterborough told us, "I don't think the public has a single clue what we do. I get asked things daily which no reporter would do, and which the people asking should know better. I'm asked . . . you know . . . there are a great many people around who still think we can be bribed."

In London, a newspaper copy editor said of the public, "They consider that the newsman's function in society is to snoop, to report on private conversations . . . In general, I don't think the public has got any more than a scintilla of an idea of what the whole business is about, other than the fact that they get the newspaper on the doorstep in the morning."

And a reporter in Toronto said, "Some people seem to think that reporters are sort of nasty people who are always looking for ways to embarrass people, to get them into trouble. Some people are afraid of them [reporters]. Others just hate and resent them, think they are intruders, think they twist things out of proportion and out of context. I think that by and large this is unfair and untrue. I think reporters try their best to be fair in whatever they say or write."

In the view of an Oshawa newspaperman, "Everybody thinks a reporter is out to get them. Whenever you call, people just shudder when you identify yourself as being from the press. They don't realize that we're people just like them; that we're trying to do a job, and if they give us fair and honest answers, most reporters will do the job properly like any other professional."

Finally, as something of a minority report, we received this comment – the only one that was genuinely critical of press performance – from a Toronto reporter: "I think there's still a very considerable number of people who take everything seriously that they read in the paper or hear on radio or watch on television You know, I don't think that's a very useful thing to do They [the public] don't understand the business, and it's probably just as well, because if they did understand us, they wouldn't believe anything they read."

Another theme, closely related to the general notion of public misunderstanding, is the concept expressed by 15 of the interview subjects, that members of the public are fearful of news people and news organizations.

In the opinion of a senior Toronto newspaper editor, "Oh yes, they're afraid of newspapers. Afraid of the publicity. Like backing into a buzz saw, you know. People are shocked when they see themselves in print, and especially when they see themselves in print in some difficult or embarrassing situation which frequently happens."

A reporter in Sudbury said, "In certain levels, the reporter is tolerated only because he is feared. I'm thinking particularly of political levels. I think the politicians in general – there are exceptions – but in general I think politicians at all levels would just love it if the reporters would just go away. But because they are fearful of not answering questions and so on, they tolerate and sometimes woo the reporter, although instinctively they think of him as an adversary."

A Windsor reporter remarked, "A lot of people think that as soon as they appear on television or are quoted in a newspaper, there's a giant neon sign going to go up over their house saying: 'Joe Blotz who lives on such-and-such a street was quoted in the newspaper tonight!' They're afraid of the publicity. They think the whole world now knows they exist."

Despite the fear, and the essentially negative misunderstanding, which news people perceive as being central to the public view of them, most of the respondents were also convinced that the public sees newsgathering as exciting, romantic, and glamorous. This notion was offered by 21 of the subjects, though most also saw great irony in it. *Their* perception of the reality of news work is days, weeks, and months of boring routine for every rare moment of genuine excitement – not unlike the apocryphal airline pilot who described his work as months of incredible boredom punctuated by seconds of absolute terror.

An assessment of the routine of news gathering and processing was offered by the news director of a major Western Ontario television station: "I think most of the public think that we are somehow in the glamour business because we meet important people and get to appear on television. Somehow the view grows up that this is a glamour job, well-paying, easy hours. Well, it isn't you know. For every important person that it is a

real pleasure to meet, there are a lot of people that it isn't a pleasure to meet. And for every spectacular story that really turns the journalist on, there are two or three which are done because you've got to do them and they're not very spectacular and some of them aren't even very bloody interesting."

In Sudbury, a television reporter said, "I think they [the public] see our profession as very glamorous, a lot of, you know, the movies type of thing. I don't think they know anything at all about the drudgery of sitting six hours in a meeting to come out with a two-minute summary."

A Toronto reporter told us that the public's understanding of the news person's work is "far, far over-glamorized and distorted. You know, basically, a reporter goes through a lot of drudgery, sitting through endless meetings, sifting for information through scores of phone calls and interviews. By far the majority of the job involves just plain hard slugging . . ."

C. Economics and Work Relations

A handful of our questions sought information which might be considered economic, even though this study is not concerned with the fundamental economics of the newspaper or television industries. The purpose of these questions was to discover the attitudes of news people to their workplace environment. We felt these might contribute to the general understanding news people have of themselves. Though little statistically important material emerged, the commentary was frequently interesting.

In response to question 23, on salaries, 12 people interviewed pronounced themselves satisfied with their rates of pay, while 18 claimed dissatisfaction. The approximate ratio would probably hold true in any number of other occupational groupings. However, eight of the respondents – including some of those satisfied and some of those dissatisfied with their wage packets – felt industry salary levels were inappropriately low relative to salaries paid in occupations outside journalism, but traditionally filled by experienced news people. Such occupations include work in corporate and institutional public relations, in government as ministerial assistants and the like, and in college and university teaching. Salary prospects (if not beginning rates of pay) can easily range beyond \$25,000 per year in any of these occupational areas. Journalism salaries in Ontario begin at a relatively high \$8,000 to \$10,000 per year for junior reporters, on all but the smallest newspapers where they are much lower; they peak out at the relatively low level of about \$16,000 per year for reporters with five years experience or more employed by the highest-paying newspapers in the province, those in Metropolitan Toronto. Some editors of newspapers do better, but salaries at \$25,000 are extremely rare. Salary ranges are generally lower in television, especially in operations outside the Toronto, London, and Windsor markets – despite the much-publicized

cases of occasional news announcers who are paid at extraordinarily high levels for their value as audience-attracting personalities.

Journalism salaries, while hardly generous, are not outrageously low; the problem lies in the fact that they are not competitive with those of occupations which traditionally recruit from the ranks of the news fraternity. The situation discourages many seasoned news people, some of whom feel personally, if vaguely, cheated by their employers; and many more who feel that both the news business and the public are being cheated as too many of the best and most promising young recruits move on to more lucrative fields after a few short years in the newsroom.

One reporter in Sudbury expressed the problem this way: "More than half the good newsmen I knew when I started in the business [five years earlier] are no longer in the media. Do you know what they are doing? They are working for politicians and as PR men for multinational companies. The bucks just aren't in the media." A senior television news director told us that his salary – exceptional though it is at about \$20,000 – would jump overnight to \$30,000 if he went to work in any one of several areas of government employment for which he is qualified. "It's the executive assistant syndrome, and they are stealing a lot of our good people away."

Many news people seem to feel, that their employers treat them, if not shabbily, at least with no more than minimally necessary concern. Question 29 asked about the support resources provided by employers to facilitate the newsgathering process. As with the question on salaries, the collective responses are not statistically significant – 14 said these were adequate and 16 said they were not. But the comments impressed us with the sense that news people generally – (and there are important exceptions) – are so shabbily treated by their employers that many subjects seemed really not competent to answer the question.

For instance, one reporter, who felt that resources were more or less adequate, told us that there was only one company car available for reporters to use, but that the managing editor generally kept it for himself. We watched three overworked people, jammed into two small rooms in the attic of an ancient converted house, preparing both radio and television news for a Northern Ontario radio-television operation. In another television operation, the reporter we interviewed assured us with enthusiasm that facilities were more than adequate, a point she emphasized saying her station had just acquired a portable video camera to record events outside the studio – the first such unit her newsroom had ever had. In another newsroom, superficially quite elegant, two-thirds of the modest space available was occupied by advertising personnel. One respondent complained mildly that his paper's newsroom and modest clipping library are locked after 5 p.m. and on weekends – an economy measure which makes research and after-hours news coverage virtually impossible.

Nine people told us in different ways, but with obvious pride, that news people need few facilities, that an elderly manual typewriter and a desk were all any good reporter really needed. One reporter did suggest, however, that it would be helpful if he could get a bit of paper for his typewriter without having to ask the managing editor to unlock the supply cabinet, and another felt his chair might be more comfortable with a caster on its fourth leg to match those on the other three.

Statistically insignificant though it may be, a sentiment expressed by three individuals seems worth noting. As one of them put it, "Reporters have no status in their own organizations, no one trusts me with anything. If only there was some appreciation . . ." Fairness demands that we point out that three newsrooms which we visited in Ontario, those of *The Toronto Star*, *The Windsor Star* and especially the *London Free Press*, were modern and obviously well equipped. Two of the comments on the reporter's status, however, came from these newsrooms.

Wistful might be the best word to describe the feeling of most news people that their newsrooms, with few exceptions, rarely receive priority consideration of any kind in the allocation of available corporate funds. A majority seemed quite accepting of this fact. In response to question 26 which asked whether news people saw their organizations as businesses or public service organizations, 17 subjects described their papers or television stations as businesses, seven said they were both, and only five described them as public service organizations.⁸

More surprising were the responses to the question 26 which asked whether advertisers had any subtle or obvious influence on the operation of the newsroom. Only four people said it would be possible for an advertiser to directly and overtly influence news content, but 17 felt that subtle influences of various kinds were present. Only 13 said advertisers could not directly influence news content in any way.

One subject in this latter group who works for a Toronto newspaper explained, "Advertising influence is just not effective. There are advertisers who still try to apply it, but they don't succeed. They need the newspaper really more than the newspaper needs them." In the newsroom of a small-town television station, however, we were told that advertisers easily acquire free and favourable publicity. "They'll whisper in our [advertising] salesman's ear, or the station manager, or whoever, and a little note will float its way down . . . just to make you aware that this film possibility is there. And around here, everybody jumps when such a note comes down."

A reporter for a small newspaper in Eastern Ontario said advertisers have a definite influence. "Here they take the word of the advertiser as God. The advertising is important. It pays the bills." And another reporter

told us succinctly, if rather unimaginatively: "You just don't bite the hand that feeds you."

One editor suggested that some forms of advertiser influence are morally appropriate. He said: "Let me put this reservation in. If you've got an advertiser who's paid \$5,000 for half a page in your paper, and let's say he's [a major airline] and he's advertising a new charter service to the Bahamas. Now, I don't think you'd be fair to that advertiser if you put on the top half of that page stories about three major air crashes that day." Fair enough, but perhaps a question of degree is also involved.

Finally, we were interested to learn – outside the context of the interviews, but confirmed by two sources – that senior executives, including senior editors, in an important chain of newspapers receive bonus payments each year based upon their newspapers' profitability. Profits come from advertising revenues. One participating editor told us that this sum, mainly in the form of pension benefits and the like, can increase his gross salary by as much as 30 per cent.

Ethics, Responsibility and Regulation

Codes of ethics abound in the news business. Most newsrooms have at least one of them framed and hanging where it might occasionally catch a journalistic eye. Several major wire services have produced such documents, as have a number of major newspapers and networks. Various organizations in the industry, ranging from the American Newspaper Guild (the journalists' union in the United States and Canada) to the Canadian Daily Newspaper Publishers Association have produced their versions, too. All speak in glowing generalities of the news person's moral rights, duties and responsibilities. Two such codes are included in Appendix C of this report.

Unfortunately, the common flaw of all such documents is that they are far too general to be practical guides to news people in dealing with the moral specifics of their work. At the time of writing the Canadian Daily Newspaper Publishers Association was preparing such a code; one senior Ontario editor who saw it in draft form told us, "It's a motherhood thing. Otherwise it would never get past the CDNPA." (This was offered in a conversation outside the context of the research interviews.)

Within the context of the interviews, however, question 14 sought the views of the respondents about the ethics of newsgathering – what they feel does, and what does not, constitute "good taste"; what sorts of information might be considered "taboo", or unpublishable, from an ethical standpoint.

Not one of the subjects made any reference to any established or formal code of ethics, but 22 of them did indicate a concern for ethical standards in the business. Furthermore, they expressed the belief that standards do exist, at least in the unwritten and informal sense, and that these are adhered to by the great majority of news people.

The problem is one of vagueness and lack of direction. It became quite apparent that ethical questions tend to be resolved on an *ad hoc* basis by individuals acting alone, and only rarely in consultation with colleagues. The overview from the interview material was of a scattering of ethical potsherd, with each individual selecting his or her own bits and pieces, but

only a few fragments receiving general recognition as parts of a whole. Several people with whom we talked recognized this general vagueness and lack of cohesion. A reporter in Sudbury told us, "I think they [the standards] are probably unwritten, and they all come down to that undefinable thing of good taste and concern for your fellow man. I don't think there's anything you can sort of write down. It depends on the calibre of the people and the individual medium."

"What guidelines are there?" another reporter asked. "Only your own. You have to establish your own."

While the general notion of the desirability of ethical behaviour was present in virtually all the replies, the articulation of specific principles was inevitably laborious and hesitant. Apart from the expected shibboleths regarding the need for accuracy and fairness in reporting, and the rather dubious traditional obligation of honour not to reveal sources, only one statistically significant theme emerged. Expressed, in one form or other, by 11 respondents, this theme had to do with the notion that people involved in tragic or embarrassing circumstances must be protected if the publication of names and details will serve no useful community information purpose.⁹ Suicides; victims of criminal activity, and even the perpetrators of crime in some instances; persons discovered in sexual activities contravening social norms; persons involved in manifestations of aberrant behaviour caused by alcoholism or emotional breakdown – all of these were mentioned as situations where names, and even descriptions in detail of the events, normally would be withheld for humane reasons. "Normally" is the operative word here. No story is *ipso facto* unprintable, and where a story is deemed to be of public importance or to be of extensive public interest, names and details will be published and broadcast. One reporter described what would seem to be a fairly widespread guideline in these words: "Suicides we don't handle unless they occur in public. If a guy takes a header off the clock tower in the [Peterborough] Market Square at high noon in the middle of a crowd of people, we'll use it. If a guy blows his brains out in his basement, forget it." The same

sentiment seems to apply to all essentially private moral embarrassments and tragedies.

An editor in Western Ontario commented: "Good taste is an important aspect of news. There's no legal restriction as far as I know that you can't use the name of a rape victim, but we haven't done it for many, many years. Surely nothing is to be gained by putting her name in the papers so that for the rest of her life she's going to be marked as a woman who was raped . . ."

The same editor did draw the line, however, at questions of aberrant behaviour among people in public life, or entrusted with some important social responsibility. "Perhaps not from a bedroom point of view, if you like, but any other kind of . . . activity . . . drunk driving, I think, is one place. A guy who is in a responsible position should know better than to go out and get nailed for drunk driving. . . ."

"If a prominent person is involved and convicted in some kind of sex perversion, I think the public should know about it . . . that this is the kind of man this guy is. Of course, if it comes to the business of illegal activities such as fraud or theft, I feel very strongly the public should know about it."

Apart from the general sense that news people should behave in a broadly ethical manner, and the single rather more specific guideline just described, there was little agreement among the respondents about what constitutes the chapter and verse of a code of ethics. Apparently news people don't share ideas in this area with each other to any extent, although individuals presented many different and interesting ideas. One editor noted, for instance, that the media have a bad habit of publicizing the names of people involved in criminal charges, but rarely give as much prominence to the information – perhaps six months later – that the courts have found the accused not guilty. A reporter was distressed that the media were, in her view, often less than humane in treating criminal news in cases where the accused is manifesting apparent symptoms of mental disorder. Another reporter felt that the media occasionally sensationalize criminal news to the point where cases are judged in the press before they ever come to trial.

One individual felt an ethical convention was needed to guarantee sympathetic treatment of the physically handicapped. Another felt a code would be useful to guide reporters on the degree of detail to be included in descriptions of accidents – his concern was the effect an over-abundance of detail might have on a victim's family and friends. Still another individual felt some restraining guideline would be appropriate to govern the use of swear words in print and broadcast.

Finally, one comment came in different forms from three subjects. Their collective point was that such restraints as may be exercised by newspapers in the coverage of news in print tend to disappear in the photographic presentation of information. One example given was that a newspaper in Western Ontario printed

a photograph showing in detail, how young school vandals were manufacturing a crude form of incendiary device. Two other reporters, in different communities, questioned the social value of a sequence of photographs, used by many newspapers throughout North America in 1975, showing a woman falling to her death from the fire escape of a collapsing tenement in Boston. The point was that the photos had no apparent value beyond the crudest form of sensationalism.

Ethical systems presumably derive logically from broader philosophic fundamentals; it would seem to follow naturally that vagueness and uncertainty about the tenets of an ethical system must be symptomatic of vagueness and uncertainty about greater principles. For the press, the wellspring of newsroom ethics must be the grand concept that press freedom is a necessary prior condition of liberal democracy, and it is distressing to find that the great majority of our respondents were as vague about the nature, purpose, and associated responsibilities of this ancient freedom as they were about a systematic approach to ethics.

The literature, of course, abounds in definitions and interpretations of freedom of the press. These range from such traditional landmarks – which surely ought to be basic reading for all journalists – as Milton's *Areopagitica* of 1644 and the definitive nineteenth-century essays of John Stuart Mill, especially his *On Liberty*, to the very rich body of twentieth-century material which attempts to interpret the concept of press freedom for modern society.¹⁰ Not one person made any references to these sources, ancient or modern, in response to questions 15 and 16, which sought a definition of press freedom and its associated responsibilities.

Few of the respondents were hesitant about offering answers and, indeed, there was considerable agreement among them as to what constitutes press freedom. But the answers were almost universally simplistic and tended to interpret press freedom very narrowly as relating to the news person's own personal liberty – his safety, really. Very few responses recognized in any clear and specific way the broad social significance of free information flow. No one identified or discussed press freedom as a right – not specifically, or even primarily, of the journalist – but of the society at large and the individuals in it.

Fully 23 respondents described press freedom as being able to write on any subject, within the constraints of the law regarding contempt of court and libel, without fear of personal reprisal or harassment of any kind. This was the single most dominant point. Fairness, truth, and accuracy, as these may be understood by individual journalists, were the only recognized moral restraints on the process; there was no mention of any concern for individual or social consequences of publicity.

It was striking that, in the context of these two questions, 18 people expressed fear about the intentions

of government at all levels with regard to press freedom. This suspiciousness of government, which is certainly healthy enough to a degree, seems to be something of an obsession that may tend to blind news people to other threats. For instance, only one person spoke in the context of other, often more subtle, infringements of press freedom, such as those imposed by the very sophisticated and highly manipulative public relations processes of private enterprise and large social institutions.

The best understanding of the news person's ideas about press freedom comes from his own words on the subject. A representative selection of comments excerpted from the interview material follows.

A Toronto editor said, "What's it mean to me? It means the right to publish the truth without interference from the state."

Also in Toronto, a wire service reporter described the concept this way: "I guess just what it says, the basic right to be free, to tell people what's going on. That's really hard to define. It's more of a feeling than anything . . ."

A London copy editor said, "We are at liberty to report on anything that politicians say, do, actions they take. And this is one thing, you know, that you can't do in many countries."

Finally, a reporter in Windsor recognized the existence of threats from sources other than governmental ones in these words: "It [press freedom] is one of those things that in theory is there, but in practice I don't always think so. Most organizations . . . just give you what they want you to have. Unless you can afford to have on staff people who do nothing but research or investigative reporting, you very often are not privy to the information that would make a good story."

In question 16, we asked about the responsibilities associated with press freedom; again, the answers were characterized by their simplistic nature. The problem of vagueness and hesitancy in response, were again present. For the most part, the answers emphasized the need for fairness and accuracy in reporting (15 responses); and honesty (seven responses). These qualities are clearly desirable, of course, but the general lack of any more substantive notions about press responsibility was disappointing. News people seem to give very little thought to the nature of their community information role and the responsibilities it entails. The following excerpts are typical of most of the responses we received.

To a reporter in Oshawa, responsibility is "to present things in a fair and accurate manner." A television news director in Sudbury said, "Truthful, factual reporting. That's the name of the game. That's the criterion." A Peterborough television reporter told us much the same thing: "I think the important responsibility is to get the facts straight . . . There can be many, many sides [to a story]. Find out what they are and print as much of the truth as possible."

Finally, a copy editor in London said "honesty" was the one-word answer to the question. He added "... in the same society which guarantees freedom of the press there is freedom of opinion on the part of the viewers or readers. A newspaper which wants for one reason or another to pull the wool over readers' eyes on a certain issue isn't going to get away with it."

The general picture provided by these examples is hardly impressive but, as with the question on ethics, a number of isolated individual comments indicate the presence of some depth of thought on the question of responsibility.

A Toronto reporter was alone among his colleagues in offering this important idea: "There's a different kind of responsibility, one involving the dissemination of as complete an account of what happens in the community as possible. It is in the coverage of events that aren't particularly spectacular, I think in this area the media don't live up to their responsibilities."

A television news director in Western Ontario expressed concern that in their anxiety to acquire information, news people may lack in common courtesy. "Another thing we ought to show is restraint," he said. "We shouldn't be seen falling all over ourselves to intrude on the privacy of others. We should show that we can have a little dignity, too."

A young woman who writes for a newspaper in Eastern Ontario commented, "We should be more humanitarian. There's a responsibility not to destroy someone or some group or some cause simply to get it in there and make a headline." And in a similar vein, a London editor said, "Our responsibility is to provide information in the public interest without unnecessarily destroying or disrupting something of worth in society."

Several reporters made the point that overwriting is a temptation that faces all journalists, and there is an important responsibility to resist this anti-social compulsion. "I think there are quite a few reporters who tend to do a little bit of creative writing when they put a piece together," one reporter told us. Another put the problem this way: "I think the media try to live up to the concept or idea of accuracy, but it's very difficult. You have to write in such a way that often you really have to work the facts to make them more interesting, and I suppose in a sense that's overplaying something."

Vagueness and superficiality again characterized most of the responses we received to questions 17 and 18, dealing with methods of public feedback into the news dissemination process and their adequacy. A third ingredient, however, which might be described as truculence – even hostility – replaced vagueness as a quality characteristic of responses to questions 19, 20, 21 and 22, which introduced ideas of various sorts and degrees of public media controls. Unfortunately, the superficiality remained throughout.

In response to the questions on existing methods of public redress and feedback into the news dissemination process, and their adequacy, virtually everyone

we spoke with said there were three methods of complaint: write a letter, place a telephone call, or drop down to the office and knock on the editor's or news director's door. And again, virtually all respondents felt these methods were entirely adequate.

Some pointed out that the law protects individuals and groups against the worst of media excesses. Perhaps significantly, only two individuals suggested the avenue of formal complaint to the Ontario Press Council or one of several local press councils functioning in the province.

Of course, there were exceptions, and, again the exceptions are worth describing in some detail. Prominent among these is the approach taken to reader involvement by *The Toronto Star*, as described to us by several *Star* writers included in the interview sample.

A senior editor of the newspaper serves as an "ombudsman", concerning himself with his paper's relationship with its readers. His duties include writing a periodic column which addresses problems specific to the *Star* and, more generally, to the broader state of journalism. The *Star* also maintains a "bureau of accuracy" which, if nothing else, at least provides an office and a focal point of sorts for reader concerns and complaints within the newspaper's rather gigantic organization. Finally, the *Star* has a practice of selecting stories from the news pages, and sending them to individuals directly or indirectly involved. These people are asked to comment upon the accuracy, emphases, and general appropriateness of the stories.

Admirable though these devices may be in theory, control in each case is held firmly within the *Star* organization. Readers and the community at large are involved in no way in their operation, and without such input, the usefulness of such devices clearly is limited.

The response of one *Star* staff member to question 17 indicates that the program has at least some impact upon the newsroom; unfortunately, his comments also reveal the difficulties involved in any system which allows an individual or organization to sit in judgment on its own actions: "... we run a bureau of accuracy here into which readers make their complaints about something they feel is wrong with the paper. The complaint is thoroughly examined. If it is justified, a correction is run in the paper. If the reader just didn't understand, he is given a letter explaining the misunderstanding. If he's strictly disagreeing, and it's a question of opinion - his opinion - he has a full letters page in this paper, and we print about 400 letters a week...."

Unfortunately, such apparent concern rarely is visible elsewhere in the province, though there are a few other hopeful notes. In Sudbury, a television station has a weekly comment show in which the company president reads and comments upon letters he has received from viewers. And in a Western Ontario community, an editor offered an interesting suggestion. His point was that many readers are not skilled at writing or putting their thoughts on paper. "I've wondered sometimes if

we shouldn't have someone here in the office who could help people to compose letters expressing their thoughts."

Unfortunately, however, the position of the reader or viewer *vis-à-vis* most Ontario media is summarized in these words from an editor: "... if you don't like the way we've handled a story, boy, there's nothing you can do unless we've overstepped the legal bounds in which case you can sue us. But that's it."

The superficial and even cavalier approach to the two questions about existing and traditional processes of media-audience interaction turned to suspicion, occasionally to hostility, in responses to the questions raising possibilities of various forms of media content control and monitoring. Two questions, for instance, dealt with press councils. Question 20 asked for opinions about voluntary councils without any form of coercive authority, of which Ontario has several operating examples. Question 21 asked news people how they would react if such bodies exercised some sort of binding authority, perhaps under legislation.

Statistical summaries of the responses to both these questions are revealing. It was disappointing, but not surprising, that 14 respondents dismissed press councils in their present non-coercive form as being ineffective to the point of uselessness. It was surprising, however, that eight people, most of them television personnel, said they had little or no knowledge of the concept, and felt unable to offer useful answers. In answer to question 21, fully 22 subjects rejected the idea of press councils with any kind of binding authority, legislated or otherwise; another seven said that, while the subjection of the press to some form of citizen control might be acceptable, legislated control in any form would not be acceptable. Only one individual felt there would be merit in making the press accountable to some sort of public body, even one with authority derived from legislation.

A better sense of the meaning of these statistics comes from the words of the respondents. A Toronto editor said about press councils in general, "Ineffective. They don't do anything. I might add that any decision by a body like that, by its nature, would be a bit like the United Nations in a way. It couldn't be binding unless people agreed."

A reporter said, "The idea is ridiculous. If somebody has a beef that he couldn't straighten out just by going to the person [news person] responsible, then chances are he has an axe to grind."

An editor in Western Ontario spoke more kindly about press councils, but he too had serious reservations: "I think they serve a useful purpose, but I'm afraid it's a very limited one. I don't think the public is convinced, really, that it [the press council in his community] is any more than an organization for mutual protection...."

Another Western Ontario editor also damned the press council concept with faint praise: "I think they

have a place, and can make a valuable contribution. I think where the failure is, and I'm not sure how we can cure this, is that the public don't use them enough. And very often I feel that the matters that do come to the press council are really inconsequential."

While benign indifference seems to characterize press attitudes toward existing press councils without binding authority, the attitude shifts considerably, at the suggestion that press councils might perform their work more effectively if they were given real authority.

A London reporter told us that press councils could only work if they were given such authority, but he went on: "The whole concept of a regulatory body strikes at the very roots of freedom of the press. If we have to have one [a press council] it would have to have teeth, but I certainly wouldn't want to see it happen."

In Windsor, a television writer said "I suppose I'm reacting like any good journalist ought to react – you know, the red flag goes up."

One Toronto newspaper reporter, felt there might be merit in having press councils with real authority. But he felt such councils still would have little real impact upon press performance. "I think it would be good probably . . . but it would be almost as ineffectual as what we now have. I just can't anticipate the press council [with authority] making any decisions that would to any extent influence the behaviour of newspapers or journalists. The council might order a paper to print a correction. Big deal."

Mistrust and hostility characterized most of the responses to question 22, asking about the content control aspects of the work of the Canadian Radio-Television and Telecommunications Commission, and the possibility of extending the CRTC's authority, or establishing a similar organization, to regulate newspaper publishing.

A statistical summary of the responses was developed. Of the 30 responses, seven were eliminated from the summary either because the subject clearly had insufficient knowledge about the CRTC to comment meaningfully, or because it was impossible to extract unequivocal opinions about the agency from the responses in question. Incidentally, ignorance and/or lack of opinion did not cluster among either television or newspaper personnel. Of the 23 subjects who gave clear opinions, 10 said the commission does useful work in regulating television, while 13 were solidly opposed to all aspects of its work in the television environment. Twenty-one respondents opposed the establishment of a CRTC style authority over the print media. One said this aspect of the question was irrelevant, as the CRTC was not now involved in print regulation and it was, to him, preposterous even to consider the future possibility. One person saw the concept as a possibility.

Once again, it is necessary to go to the comments of the people interviewed to get at the real sense of these statistics. A wire service editor demonstrated the depth of the majority of his colleagues' misgivings about

governmental regulatory involvement in the news processing function. He cited a case of what he regarded as the most offensive sort of journalism practised by a Toronto radio station which had come to the attention of the CRTC at a licence renewal hearing in January, 1976. "They played a tape of an extremely offensive newscaster called [name of broadcaster] who talked about a body found in a lake as a "floater", and children dead in a fire as "crispy critters", and this type of awful, in my opinion, really awful reporting."

The owner of the station was asked by the commissioners if he thought this was responsible journalism. Our respondent commented, "Well, in the event [owner's name] doesn't know what the hell he's doing at his radio station, I think the CRTC has a moral obligation to point out to him what they thought of the newscast."

But the extent of this editor's misgivings about governmental regulatory involvement in news processing becomes starkly clear in his unwillingness to condone CRTC censure of even this sort of extreme and cruel journalistic irresponsibility. "... I think the CRTC had a moral obligation to point out to him what they thought of his newscast, but that's as far as it goes. They can't start telling him his newscaster can't write that stuff . . . I think the CRTC has far overstepped its bounds and somebody is eventually going to challenge the CRTC's authority in court and they're going to win. I guarantee it . . . they're just swimming along because nobody can stand up to them. But if somebody does, it's [the CRTC] just going to crumble like a house of cards."

A television reporter offered this, rather less dramatic comment: "It's such a powerful organization over what the broadcast media are doing . . . I don't think there has been a lot of trouble over what goes on in the news side of broadcasting, but I would be very frightened about the same kind of thing over newspapers. I'm not happy with it over television. It gives me the impression, I don't know, that there's something wrong . . . we've got this government body which holds the ultimate axe. . . ."

And finally, in this vein, another television reporter, this time in Sudbury, said, "The CRTC wants to envision itself as God. It's very, very dangerous."

As indicated in the statistical summary, a number of people felt the CRTC was doing a necessary job. Usually, such comments came with caveats, however, as the following observation typifies: "The CRTC's primary concern should be simply restricting the number of broadcast outlets operating on or close to the same frequency. But I think the CRTC has extended its authority tremendously beyond the bounds that were really originally envisaged, and [is] getting into *de facto* editorial control of the broadcast media."

Finally, a television reporter in Peterborough – one of the very few who saw good in CRTC concerns about quality and saw the possibility, at least, of newspaper regulation – said, "We definitely should have a watchdog because you can slip into sloppy habits. An

awful lot of stations are more or less run by the sales department, and salesmen are not particularly known for their moral values. I don't know about newspapers. It might be a good idea, but they seem to have done a pretty good job of regulating themselves."

This comment, and a very few others in a similar vein, were clearly exceptions. News people as a group find the very suggestion of governmental involvement in regulating the quality of news dissemination sheer anathema. In the responses to question 19, the notion of the self-regulation of news personnel through formal professionalization fared little better.

The question raised the possibility of legislation to create enabling machinery that would permit news people to regulate themselves, in the same way that the medical and legal professions operate under self-regulatory systems. Not one of our respondents offered unqualified support for the proposal. Seven individuals gave qualified approval, but in each case with the reservation that even the sort of minimal arms-length government involvement implied would be a hazard to press freedom. Fully 23 people were unreservedly opposed. Their responses contained 15 objections to the principle of any form of governmental involvement and ten expressions of the view that the public interest is not protected by existing medical and legal organizations, and presumably would not be protected by an equivalent journalistic one.

Here again is a representative sample of the comments from which the above statistics are derived. A Toronto newspaper editor said, "No, I wouldn't want to see any kind of licence, because when you do that, you know, the freedom of the press is gone. The professional organizations you mentioned are on a different basis entirely. A doctor operates not under public scrutiny. He operates in private, in secret, and a lawyer does too. The newspaper operates under full public scrutiny . . . The only safe method of policing a newspaper is to let the public police it."

A Toronto reporter commented, "I would have no problem with such legislation. I think it would be every bit as inadequate as that governing doctors and lawyers. It would be a fine way to bamboozle the public into thinking there were some sort of controls even though there wouldn't be. There aren't any controls on doctors and lawyers now." (We assumed in the statistical assessment that this person was opposed to the principle.)

This comment came from a reporter in Oshawa: "Particularly because news people are dealing very, very directly with the political element, I would be very sceptical about the wisdom of allowing some authority that came from the province or from any other level of government to do this. I don't think it would work."

And finally, a reporter in London said, "I'm against that for the simple reason that I think journalists should be a rag-tag bunch of people . . . I think that people they deal with should have a little bit of fear that they

might be a little bit irresponsible, and therefore, particularly politicians and civil servants and so on, should watch their Ps and Qs when a newspaperman comes around. . . ."

Conclusions and Suggestions

News people are not unaware that problems exist in their craft, that there are things they do – even traditions they hold dear – which do not always serve the public interest. They seem unable to move with firm and demonstrated resolve in directions of reform, however. This is rather ironic as they have, especially in the past two decades, acted as catalysts in the agonies of reform and reassessment in so many other social institutions.

Print and electronic journalists alike are almost always employees in the modern age, with little or no real power in the large family businesses and public corporations which employ them, and this may have a lot, or a little, to do with the problem. The American scholar-journalist Ben H. Bagdikian has pointed out that this was not always the case. In the early nineteenth century, when much of the body of liberal journalistic tradition was formulated, newspapers in his country were small businesses; few had daily circulations beyond 550 copies, and one man (occasionally with a helper or two) acted as corporate policy maker, reporter, editorial writer, printer-pressman, and delivery boy. Today, the journalist, even the news director or senior editor, is essentially an employee, and almost always removed from senior corporate policy-making levels. Bagdikian makes this comment on the position of the latter-day news person as employee of the traditional family business:

There is . . . the genetic roulette every community is forced to play with its local paper. If the heir of the publisher, or his son-in-law, happens to be an intelligent and effective journalistic leader, the community receives a good paper. But if the heir happens to be incompetent, or becomes more interested in breeding bulls, the community will receive an indifferent paper.¹¹

Bagdikian adds that distinguished journalism – and he might have added innovative journalism as well – requires distinguished leadership, a matter of pure chance in the case of the family business, but a gamble in which he believes the odds become less than satisfactory when family newspapers pass into the hands of large corporations. Bagdikian's succinct comment is

this: "The demands of corporate efficiency and of journalism are often at odds."¹²

In Canada, the record of publishers and television-station owners in seeking to improve or change the processes of journalism is, in a word, awful. Many publishers will argue that they have invested enormous amounts of money in computer-related technology in very recent years. While this is quite true, the new technologies may have made news plants more cost-efficient, but they have had little or no impact upon the nature or quality of newsroom output. The work of Senator Keith Davey's Special Senate Committee on the Mass Media in 1969 and 1970 has had no measurable effect on journalism quality or conduct. Press councils, though not the high-profile national body envisioned by Senator Davey, have been established in Ontario and several other provinces, and at the local level in a handful of Canadian cities as well. But the impact these have had upon the conduct of journalism, and the level of public awareness they enjoy, are negligible. The journalists themselves, as the evidence of this study amply demonstrates, regard the councils with mingled indifference and contempt.

It seems unlikely that society can look to the publishers and owners for leadership in the admittedly risky (financially, at least) business of experimentation, innovation, and ultimate change in the nature of journalism. This leaves the working journalists and the state as the remaining possible agents of change. The journalists interviewed for this study fear mightily the possibility of government involvement in their regulation, and often with very good reason, we feel. But the prospect of the journalists undertaking the task themselves obviously does not seem bright. Bagdikian quite correctly places the journalist in the follower-employee role; this seems to rule out any real possibility of serious and innovative leadership emerging from the ranks of the newsroom. At the moment, there is little to suggest that Bagdikian's assessment is anything but precisely accurate.

The journalists' largest organization, and their only one of any consequence, is the American Newspaper Guild. However, it is unabashedly a union and it pays

scant attention to questions of journalistic quality. *Media Probe*, published in Toronto and edited by Professor Earle Beattie of York University, is the only established journal of media criticism in Ontario, and it has but a token circulation among working journalists. *Content*, a monthly newspaper for journalists, also published in Toronto, has a wider circulation among news people, but from promising beginnings in 1970 under its founding editor, Dick MacDonald of Montreal, it has degenerated recently into little more than an industry news gossip sheet.

What is most depressing, when one looks for signs of leadership among the journalists themselves, is that they reject most criticism out of hand; if they do recognize its possible validity, they respond with generalizations that place the blame elsewhere. This kind of thinking became abundantly clear to us during the interview process. Moving outside that context, it seems especially well demonstrated by Borden Spears, *The Toronto Star's* ombudsman, in one of his columns:

Whether or not they [the journalists] can persuade their readers of the fact, they know they are doing their honest best to portray the world as they find it. When they do, they meet the response that has always been accorded the bearer of bad tidings.¹³

Spears was reacting to a Lou Harris poll of 1975 which indicated a significant decrease during the preceding decade in public trust in a number of occupational groups and institutions, including the press. He is probably right that many people today might occasionally like to assassinate the journalistic bearer of bad news; quite illogical, of course, and – to complete the analogy which is one of Spears' favourite – not unlike certain ancient Persians who are said to have actually done in their unfortunate messengers. Spears is not alone among newsmen, most of whom love to use this analogy of the ancient messenger without admitting to the glaring logical *non sequitur* it contains. Unlike his classic counterpart, who merely grabbed the message given to him and ran, the modern news person does much to shape the content and to determine the priority of the message, and even to decide whether or not he will carry it at all. This suggests a responsibility to society which many news people seem unwilling (or unable) to understand.

Certainly, the widespread rationalizations and denials of responsibility will not lead to useful self-criticism and self-evaluation. And without these, state regulation tragically must come – to fill a vacuum, if nothing else – as it has come inexorably and inevitably to so many other institutions and aspects of Canadian life in recent decades.¹⁴

The landscape is not entirely bleak, perhaps, and it is possible that the journalists themselves, given the right incentives, might act before the matter is out of their hands. While the interviews we conducted set in stark relief a lot of things that are very wrong, they also give repeated indications that at least a substantial minority

among news people know that all is not well in the garden, and that they are uncomfortable about it. The implications of the Bagdikian hypothesis, of course, are that it is as pointless to expect serious leadership from the newsroom as it is to expect it from the publishers and owners; in the remaining pages, however, we offer a few thoughts and suggestions which make the optimistic assumption that this is not necessarily the case.

1. Rewrite the Definition of News

The world, and the people in it, do not move through time in a spasmodic chaos of unrelated crises and isolated "events". And yet, in the main, this is the way the world is presented to the community by the news fraternity. News people know this, but they are locked in a peculiar journalistic mould which demands that news be no more than a few hours old; that it be close to home, psychologically if not physically; and that it be "interesting", in effect entertaining, to the reader or viewer. Only after news meets these criteria is its importance to society in absolute or historic terms considered. Everyone knows that his or her own life, most of the time, is a *process* that moves through time in an intricate series of cause and effect relationships. Why, then, should an audience be asked to accept as reality a distorted portrait of the world that consists of isolated and fragmented *events*, crises, more often than not, paraded with wide-eyed and unnatural excitement through the news columns and across the video screen.

In the earliest days of journalism, information was often presented as a relatively leisurely chronicling of processes in the world and the community. We have referred (see especially page 6) to the concept of process journalism as opposed to the prevalent event-centred journalism of modern convention. Much of the better eighteenth – and early nineteenth – century journalism, though it certainly had other problems of its own, described processes rather than events, and this might be an appropriate new direction for modern news presentation. The growing incidence in many newspapers of commentary material, extended interpretive and backgrounding articles, and the like, and of documentary news treatment in television, suggests that the possibility of process journalism is already appreciated to some extent. Such work inevitably remains "pegged" to hard news events, however, and constitutes no real change in the generally held notions about newsworthiness of information.

The American media critic Daniel Boorstin has described the whole problem in these words:

We need not be theologians to see that we have shifted responsibility for making the world interesting from God to the newspaperman. We used to believe there were only so many "events" in the world. If there were not many intriguing or startling occurrences, it was no fault of the reporter. He could not be expected to report what did not exist.

Within the last hundred years, however, and especially in the twentieth century, all this has changed. We expect the papers

to be full of news. If there is no news visible to the naked eye, or to the average citizen, we will expect it to be there for the enterprising newsmen. The successful reporter is one who can find a story, even if there is no earthquake or assassination or civil war. If he cannot find a story, then he must make one – by the questions he asks of public figures, by the surprising human interest he unfolds from some commonplace event, or by “the news behind the news”. If all else fails, then he must give us a “think piece” – an embroidering of well-known facts, or a speculation about startling things to come.¹⁵

Of course, there will always be elements in the news which are best treated as events, sudden natural disasters and such being among them. But the lives of individuals, the progress of organizations, and the evolution of society itself, which ought to be journalism’s major concerns, are processes and they should be treated as such. Violent intrusions really are the only aspects of life that happen suddenly, isolated in time, graphically and dramatically – that is to say, “entertainingly” – and without immediately apparent relationships to processes.

In other words, as it is now defined, news really means news of violence, because violence is the only kind of activity which naturally and perfectly fits the news person’s understanding of the nature of news.

This is why news people gravitate to violence, not merely in the obvious sense of chronicling criminal activity and disasters of all kinds – which some editors and news directors are actively downplaying nowadays – but, as Boorstin implies, also in the myriad more subtle forms which violence can take. The media sometimes emphasize governmental crisis or scandal while ignoring the routine of Parliament and public administration. They focus upon the economic threat, rather than describing the course of the economy so that everyone might understand it. They single out the obscure disease, the bizarre occurrence – and the whole range of Chicken Little things that might happen to us but seldom do, instead of telling us about each other’s real lives and the routine of our communities.

News people must realize that their confining definition of news also leaves them vulnerable to manipulation by individuals and groups seeking publicity for purposes that may or may not be pro-social. The concept of the “media event” is common coinage in the currency of the public vocabulary. In essence, it means the staging of an event which the news fraternity, given its rigid understanding of what constitutes news, feels compelled to cover. We were struck by the fact that 16 of our respondents mentioned organized labour’s national day of protest as one of the major stories of the past six months. For several months in advance of October 14, 1976, the news fraternity knew that there would be a specific day filled with specific events ranging from fiery speeches to strikes to possible incidents of violence. The day fizzled when it finally arrived, but it drew undivided media attention anyhow. By creating it, the labour movement drew vastly more attention to itself and its views than would have been

the case had these been left in their natural perspective as an aspect of a general process of labour economics at work in society. Reporters might want to ask themselves how often these days they seem to be covering not events, but staged events, and to what extent they are influenced by them, and for what reasons.

During the interview process it became apparent that some news people, at least, recognize that problems exist with the event-centred definition of news. Some are concerned about the problem of manipulation it creates, and they might like to move toward the more natural activity of describing processes. The almost instinctive fear news people have of being beaten to a story by representatives of another medium is probably the most important restraining factor. There is irony here, because the powerful economic competition, historically so strong in the media, and underlying the apparently keen sense of competition still felt among news people themselves, no longer has any real substance.

In their responses to our eleventh question, 24 respondents said their newsrooms were in direct and vital competition with other newsrooms, and indicated they react accordingly in their individual newsgathering activities. Yet most newspapers and television stations today are the only representatives of their respective media in the markets they serve. Even though many communities boast both a newspaper and a television station, audiences view television and read newspapers at different times and for different reasons.

Genuine, direct competition probably continues to exist in the Toronto television market. But, even there, the shared audience would be better served if the television newsrooms ignored each other and got on with the telling of Toronto’s story, each in its unique way. Some corporate advertising competition exists in the Toronto and Ottawa newspaper markets, but it is not sufficiently intense to justify its extension into the newsrooms. Each of Toronto’s three dailies is unique in character, and each has carved out a distinct socio-economic market for itself; any market overlap that may exist cannot be seen as justification for important competition among journalists. Ottawa’s papers are more similar to each other, leaving a reason (if not an excuse) for continuing journalistic competition in that city alone in Ontario.

2. Let Them Tell Their Own Story

News people feel very much misunderstood by the public, and this leads to the jaundiced view of society that is shared by many news people. Obviously, this attitude must colour their work and affect the news selection process. Yet, in the main, the telling of the news story has been left to Hollywood and the occasional novelist. Woodward and Bernstein of Watergate and *Washington Post* fame haven’t helped. Real news people know that the aggressive, intimidating, newsgathering methods depicted by Robert

Redford and Dustin Hoffman in the film version of *All the President's Men* don't work very well with most people most of the time. Journalists know that any hack can look good (for a while) with a contact like "Deep Throat", but that such contacts are both extremely rare and highly suspect.

Real newsgathering is hard, time-consuming, often boring work, as our respondents have described it. News people are underpaid, relatively speaking; they do run into people who are rude or devious in their treatment of reporters; they do run into people at parties who seize the opportunity to push pet projects (or are afraid to talk at all); and they are differently treated by their employers. Finally, the London newsman who told us that the general public hasn't a "scintilla of an idea" about the realities of the newsgathering, editing, and production processes, is entirely correct.

Our point is a simple one. Clearly, no one else is going to tell the news person's story if he doesn't do it himself. It is an important story of an important social process. With the accurate telling of it, stereotypes will fade, and a useful dialogue might begin between the news fraternity and its audience.

3. Journalism Must Recognize Its Responsibilities

In their responses to the tenth question, 16 of our subjects said the reporter should restrict himself to the purely objective reporting of events; another nine felt that news interpretation is necessary, but that it should not be carried to the point of subjective-opinion journalism. Objectivity is an old and fundamental tenet of the liberal journalistic tradition. Apparently it has survived, more or less in tact, the challenge of the "new journalists" of the 1960s who argued that journalism could only become a humane and honest process if the journalist were allowed, and indeed encouraged, to let his own emotions and subjective perceptions colour everything he wrote. The classic liberal statement that the essential role of the journalist must be to convey information, as anonymously as possible, to a public that will decide upon the merits of cases, seems to have an eternal logic in a democratic environment. The passing of the subjective essay – long on opinion and short on factual data – which constituted so much of the new journalism, is surely not to be regretted.

The new journalists did make the valid point, however. They maintained that traditional objectivity breeds detachment in the traditional journalist; it too often becomes an excuse for denial of responsibility for his actions. Journalists, and many others too, became painfully aware a full quarter century ago of the weakness inherent in objective detachment when the American television commentator Edward R. Murrow, used his network broadcast *Hear It Now* to demonstrate the fearful degree of manipulation news people permitted, all in the name of journalistic objectivity, in their coverage of Senator Joseph McCarthy's infamous

hearings on un-American activities.¹⁶ Perhaps as a result of the experience, few North American journalists today are quite as ready to blindly write whatever they are told. However, the process of creating an objective but responsible journalism is far from complete. It is now almost 30 years since the Commission on the Freedom of the Press published its two-volume report of research into the state of American journalism.¹⁷ That document is still fundamental reading for all journalists. It made a number of recommendations, including this one: News must be a "truthful, comprehensive account of the day's events in a context which gives them meaning." This means that it is not enough, however objective the exercise may be, to present information which the public cannot understand. News frequently must be interpreted, translated into understandable language, if general comprehension is to be achieved. Even more important, news must be presented in a context that is meaningful to the reader, and reflective of the reality of his world. We cannot believe that much of today's event-centred journalism, with all its possibilities for distortion – the very thing the Commission found offensive 30 years ago – can honestly be regarded as meaningful in context or reflective of reality.

It was particularly disturbing, especially in the responses to questions about the potential social impact of violence reporting, to find that so many of the people interviewed denied the responsibility of the journalist for the possible social impact of his reporting. They seemed to think it enough that theirs was accurate and objective in a narrow interpretation of these words.

At this point, we can only repeat the words of the CBC news director who told us there is a responsibility "to inform not only at the lowest mass level, but at a somewhat higher level, too." It is, of course, all very well to recommend that journalists must accept responsibility for the impact of what they write. Clearly the installation of such a value as a working principle in the newsroom will not be easy, but an important step will have been taken when all journalists recognize that words, even truthful ones, can be more damaging than bullets. At a more concrete level, the remaining recommendations contain some positive suggestions which, for better or worse, address themselves essentially to the great question of responsibility in journalism.

4. Make the Press Council Work

The Ontario Press Council must be given a vitality it now sadly lacks, and a greatly expanded role. Only a handful of newspapers now belong to it, and those who do not include such critically important ones as *The Globe and Mail*. The Council's frame of reference does not now extend its concerns to the activities of radio and television newsrooms; the complaints it hears are few and insignificant; and its affairs are poorly publicized. Few members of the public even realize the

Council exists as an avenue of redress against perceived media injustices.

The Press Council's membership should include every news operation in the province involved in the dissemination of information for general public consumption. Its executive functions should be in the hands of a group consisting of representatives of the lay public, media ownership, and working journalists, but the latter group should hold a proportionately larger share of votes than either of the others. Owners and audiences must have a vital presence on the Council, of course, but the demonstrated economic pre-occupation of owners, and the lack of knowledge about the news media among even the more sophisticated elements of the public, suggest the wisdom of giving journalists the strongest voice, at least initially. Something of the substance of the proposed revitalized Council is developed in the context of the following suggestions, but in summary the proposals include these elements: authority derived from "arm's-length" legislation of the sort under which other professions function in Ontario, to establish standards of conduct and education, and to administer them; and assured and adequate funding, if necessary from the public purse.

5. A System of Ethics

The existing *ad hoc* approach to questions of journalistic ethics is inadequate. The evidence of this study suggests that news people give little thought to ethical concerns; they seem to assume that individually understood concepts of fairness and accuracy in reporting are sufficient. If members of the public fear or resent journalistic intrusions into their lives – as many news people we interviewed suggested or implied – a large part of the reason must be that members of the public have good cause to feel concerns. There are no guarantees as to exactly how information given may be handled.

Brief ethical statements, of the sort provided in Appendix C, cannot work. They are much too general to be of practical value in application to specific individual situations; as we have seen, they are understandably ignored by most working news people. A beginning might be made, however, by the establishment of a commission charged with formulating a comprehensive statement of journalistic ethics. Such a commission, acting as an *ad hoc* committee of the revitalized Ontario Press Council, and acting under its authority, should be composed primarily of working journalists, but also should have significant representation from the broader community.

In itself, the work of the commission would serve only two initiating purposes: to focus the attention of all working journalists on ethical questions; and to provide a foundation statement of ethics upon which a practical and working system of ethical standards could be built.

If a systematic statement of ethics is to have lasting and growing value, it will have to be applied on a day-

to-day basis to specific situations, and here the experience of the British Press Council is instructive.¹⁸ The argument is often made – especially, it seems, in journalistic circles outside Britain – that the British Council is of no worth because it does not have the authority to enforce its decisions with a system of fines that would work a genuine economic hardship upon offending media and individual news people. This argument misses the point.

The central and lasting worth of the British concept is that the Council, acting in its quasi-judicial capacity, hears cases of alleged media and individual journalistic ethical offences. Over the nearly two decades of its existence in its present form, it has developed a substantial body of decisions, published annually in book form, and now in the process of being indexed. This collection of precedents guides the Council as each new situation arises; it also serves most importantly as a before-the-fact guide for editors and writers. The body of Press Council decisions clearly is analogous in its content and in its application to the tradition of English precedent law; with each passing year, its decisions accumulate, making it more and more important as a system of ethical guidance for English journalism.

The fact that the British Council has but nominal coercive power to enforce its rulings is not important. It is dealing, after all, with questions of ethics; the people and institutions who come before it are not criminals. The courts of law, the criminal code, and the law treating libel and contempt of court are forces supported by powerful coercive authority to deal with journalistic transgressions beyond the pale of legally accepted behaviour. Individuals and institutions coming before the Press Council will normally have a fundamental respect for the concept of rule of law. For such as these, persuasion with a minimal or no coercive element should suffice.

We would like to see, then, an Ontario Press Council, with an important quasi-judicial function provided for in its enabling legislation, more or less patterned after the British experience. It would use the statement of ethics which we have suggested as a foundation upon which to build, over time, its own body of precedent "law". It could, quite appropriately, borrow from the older British body as necessary, especially, perhaps, in the early years of its operation. In the process, in years to come, Ontario would evolve a comprehensive system of journalistic ethics completely compatible with the liberal democratic traditions of Canadian and Ontario society.

6. Professionalization

Few of our respondents saw merit in the concept of professionalization, but it is difficult to see any improvement in the practice of journalism being possible without it. The psychology of the journalist, as we have seen, is that of an employee without long-term policy formulating responsibilities. Essentially, this is

the point made by Bagdikian in the passages quoted earlier in this chapter. Unless this psychology can be changed, it is unlikely that leadership in reform can be sought among the ranks of the working journalists.

Professionalization would seem to be the necessary precondition.

Again, we would look to the revitalized Ontario Press Council to assume a leadership role. It would have, under the enabling legislation we have suggested, the necessary disciplinary machinery of a profession. This authority could be extended, perhaps through a committee of the Council composed entirely of working news people, to encompass the other usual appurtenances of a formal profession.

In the first place, there would have to be a careful entrenchment of professional control in the committee to ensure its freedom, not only from the possibility of political manipulation, but also from inappropriate and undue employer influence.

Machinery would be needed to establish and administer a set of educational standards for journalists. We believe that these requirements should be a university level, and that they should include definite components of journalism education, not only in the techniques of the craft, but in such important areas as journalism ethics, history, and law. Ontario has three established university-level schools of journalism, at The University of Western Ontario, Carleton University, and the Ryerson Polytechnical Institute. All three have excellent records, dating back to the 1940s, in the education and training of first-class newsroom personnel. Clearly, these institutions, with their rich experience in the education of journalists, must be involved deeply in the processes of establishing and maintaining standards of journalism education.

It is a sad fact that these three schools have been rather neglected over the years. Their work has been conducted without appreciable industry support, moral or financial – a state of affairs quite reversing the relationship between medicine, law, engineering, and even business management, and their professional schools in the universities. There is something of a state of studied anti-intellectualism in the newsrooms of the province, a peculiar posture as most modern news people (on the daily papers and in the major television newsrooms, at least) have quite thorough educations. Of the people we talked with, 16 held B.A. degrees, four more were graduates of one or other of the three journalism schools we have mentioned, and another three had experienced some post-secondary education. Despite this generally high educational level, in the response to question 31, in which we asked what sort of education a young person should acquire before entering upon a career in journalism, 13 people saw no particular value in a university education. Fourteen said a broad general B.A. would be helpful, and only three saw merit in a university journalism program.

Finally, we believe professionalization must allow for

research into many areas of newsroom activity, news content, and newsroom-audience relationships. Such work should be encouraged and funded, not especially among people working in academic environments outside the newsroom – though certainly there too – but more importantly among the news people themselves. We suggest for them a generous sabbatical system, funded by the media themselves as a condition of a professional newsroom environment. This would provide individual journalists with both the time and the money to study their work and to reflect upon it.

Endnotes

- 1 Wilson, Phyllis, "The Nature of News," in *Journalism Communication and the Law*, G. Stuart Adam, ed. (Toronto: Prentice-Hall, 1976).
- 2 Charnley, Mitchell, *Reporting*, (New York: Holt, Rinehart and Winston, 1975), p. 44.
- 3 *To Know and Be Known: The Report of the Task Force on Government Information* (Ottawa: The Queen's Printer, 1969), p. 11.
- 4 For examples of studies of violence content in the news media, the reader is referred to several studies prepared in association with this one for the Royal Commission on Violence in the Communications Industry, including a second by the author, *An Analysis of Some News-flow Patterns and Influences in the Province of Ontario*. A number of important studies are identified in the bibliography, Appendix D to this report.
- 5 Hunt, Todd, "Beyond the Journalistic Event: The Changing Concept of News," *Mass Communications Review* 1 (2), April, 1974, pp. 23-30.
- 6 A useful description of the concept of psychological proximity is provided in Cole, Richard and David Grey, "The Nature of News - Traditional Concepts" *Handbook of Reporting Methods*, Maxwell McCombs, Donald Shaw, and David Grey, eds. (Boston: Houghton Mifflin Company, 1976), pp. 303-4.
- 7 Occupational scales of several sorts are standard tools in sociology, and our question is really an adaptation of the concept. For an important Canadian occupational scale, and a discussion of its uses and limitations, see: Blishen, Bernard. "A Socio-Economic Index for Occupations in Canada" *Canadian Review of Sociology and Anthropology*, February, 1967.
- 8 One response to the question 26 was lost due to a technical problem in tape recording. The sample for this question was therefore reduced to 29.
- 9 Even the apparently wide acceptance of this theme is offered with some hesitation. The interview subjects, or some of them at least, may have been prompted to some extent by the phrasing of question 14.
- 10 For a succinct but thorough survey of the literature on press freedom, the reader is referred to Siebert, Fred S., Theodore Peterson, and Wilbur Schramm, *Four Theories of the Press* (Chicago: University of Illinois Press, 1956.)
- 11 Bagdikian, Ben H., *The Information Machines* (New York: Harper and Row, 1971), pp. 120-1.
- 12 *Ibid.*
- 13 Spears, Borden, "The Public Trusts Garbagemen More than Newsmen", *The Toronto Star*, July 12th, 1975.
- 14 Government is deeply involved in the regulation of broadcast media in Canada, of course, but it is the writer's contention that government is also involved in a substantial policy formulation process in a number of areas which is altering the position of the print media in Canadian society. The reader is referred especially to Litvak, Isaiah and Christopher Maule, *Cultural Sovereignty: The Time and Reader's Digest Case in Canada* (Toronto: Burns and MacEachern, 1974.)
- 15 Boorstin, Daniel, "From News-Gathering to News-Making: A Flood of Pseudo-Events," *The Process and Effects of Mass Communication* Wilbur Schramm and D. F. Roberts, eds. (Chicago: University of Illinois Press, 1971.) pp. 116-117.
- 16 A full account of Murrow's battle with McCarthy is in Friendly, Fred W., *Due to Circumstances Beyond Our Control . . .* (New York: Vintage Books, 1967.)
- 17 Commission on the Freedom of the Press, *A Free and Responsible Press* (Chicago: University of Chicago Press, 1947.)
- 18 One of the best descriptions of the history, function, and philosophy of the British Press Council is in Levy, H. Phillip, *The Press Council: History, Procedure and Cases* (New York: Macmillan, 1967.)

Appendix A

A Questionnaire: The Perceptions and Attitudes of News Personnel

*Professor A.M. Osler
August, 1976*

1. What are the two or three biggest news stories, local, national or international, which your newsroom has handled in the past six months or so?
2. What special qualities, as news, did these stories have that make them stand out in your mind now?
3. Lots of information is generated in the world every day, but only a minute portion of it is newsworthy. What are the qualities a piece of information must have to make it newsworthy?
4. What kind of story is really going to get your newsroom excited – squads of reporters and camera types dispatched, editors scrambling everywhere, reworking the front/the script – the whole bit?
5. As a news person, you have a really unique view of the world. Does this special vantage point make the news person different, or set him/her apart in any special way?
6. News media seem frequently to be criticized these days for placing undue emphasis upon news of crime, human conflict, tragedies and violence of all kinds. How do you feel about this sort of criticism?
7. Do you feel people in the viewing/reading audience are more likely or less likely to pay attention to news items when there is an element of violence or tragedy of some kind in the theme? Why?
8. When one guy skyjacked a jet, a hundred followed; when one kid shot up a high school in Brampton, another followed suit in Ottawa. A lot of people are saying that bizarre stories of violence bring the dangerous kooks out of the woodwork, and that such stories should at least be played in a minor key. How do you deal with this one as a news person?
9. Some sociologists are telling us that many people have distorted views about modern society, especially about the crime and violence in our midst, and the media are being blamed. We are told there are too many little old ladies with a pathological fear of being mugged; too many young women terrified of meeting a rapist in the underground garage. How do you answer this challenge?
10. There is continuing controversy among news people as to whether the public is best served by traditional objective reporting of events, or by the more subjective “advocacy” style that attempts to interpret and explain. What are your views?
11. Is your news organization in competition on a day-to-day basis with any other news organizations? Which ones?
12. Is the competitive factor something that affects the treatment of news? How?
13. You see U.S. wire copy, probably read a few U.S. papers and watch American newscasts from time to time. Do the Americans handle news differently from Canadians? Do you see emphases in U.S. news that you don’t see in Canadian news?
14. It is pretty well uniformly recognized in the news business that it is in “poor taste” to mention in a story, say, the name of a rape victim. Apart from the well-known legal restraints, are there any other “taboos” written or unwritten but commonly agreed upon, against printing or broadcasting certain types of information?
15. Understanding that “freedom of the press” nowadays is extended to include the electronic as well as the print media, what does the concept of “freedom of the press” mean to you?
16. Assuming the validity of the concept that every freedom has its responsibilities, what are the important responsibilities of free media? Do the media live up to them?
17. When members of the public feel that your medium has behaved, intentionally or unintentionally, in a less than responsible fashion, how can they make their concern known to those people responsible?
18. How do you feel about these methods of public redress? Are they adequate or inadequate?
19. Doctors and lawyers function professionally in Ontario under legislation that requires them to belong to professional organizations. These bodies have statutory authority and responsibility to criticize, censure, and even exclude from practice, any member of the profession whose behaviour is judged inadequate. How would you feel about similar legislation to regulate the behaviour of news people?
20. What’s your opinion of press councils?
21. How would you feel if press councils in Ontario had authority, perhaps legislated authority, to enforce their decisions?
22. The CRTC, operating under federal authority, exercises a measure of quality control over the content of the broadcast media. Do you approve or disapprove of this? What would be the consequences of extending this regulatory authority to cover print media as well?
23. Is your salary a reasonable one for the sort of work you do?
24. Looking outside the news business for a moment, what are two other occupations roughly equal to your own in terms of their importance to society?
25. What do you think is the general public’s idea of the nature of a news person’s work, and his role in society? How fair and accurate is this view?
26. Are newspapers and television stations primarily businesses, or public service organizations? How do you think your publisher/station owner would respond to this question?
27. Advertising is the bread and butter of the news business. Do you feel the advertisers who buy time/space have any obvious or subtle influence on the operation of your newsroom?
28. Canadian news media are big businesses, and apparently getting bigger, if the growth of chains and other sorts of corporate tie-ins are any indication. How is all this affecting the actual business of gathering and processing news in this country?
29. Quite apart from your salary and any benefits you receive personally in your employment, how do you feel about the level of support resources and facilities your employer provides to assist you in your work?

30. Do you think most people working in your newsroom are happy or unhappy? Why?
31. What opinions do you have as to the best way to train or educate young people for work in a modern newsroom?
32. If you were the publisher/station owner, what changes would you make in the operation of your newsroom?

Notes

1. The following information will be recorded with each interview, but will be held in strictest confidence, and used only for statistical and verification purposes.
 - a) the subject's name and title.
 - b) the name of the subject's employer.
 - c) the age and sex of the subject.
2. All interviews will be tape-recorded, and later transcribed verbatim.
3. Prior to each interview session, the subject will be given these assurances and instructions:
 - a) the subject will be assured that his anonymity will be protected.
 - b) the subject will be assured that the information he or she gives will be used for scholarly purposes only, and that his or her anonymity will be protected in any report of the research in academic journals or other publications.
 - c) the subject will be asked to answer each question succinctly, but will be invited to expand if he or she wishes. The interviewer may from time to time ask supplementary questions.
 - d) the subject will be invited to select his or her own place and, when convenient, time, for the interview.
 - e) if the subject asks about the nature of the research, he or she will be told in most general terms that the interviews are part of a research project examining the role of news personnel and the media in society. It will be explained that the giving of further information might compromise the validity of the research.

Appendix B

Table: Best News Stories Identified By Interview Subjects

Statistical Summary: Responses to Question One

The question: What are the two or three biggest news stories, local, national or international, which your newsroom has handled in the past six months or so?

Total Responses:	83
(Four individuals were able to offer fewer than the requested three examples.)	
Stories with local themes	26
Stories with non-local themes	57
Stories with violent primary or violent prominent secondary theme(s)	45
Stories with no violence content	38

Individual stories, and closely-linked groups of stories, most often mentioned:

Single Stories:

Labour protest against anti-inflation program	16 mentions
Israeli raid on Entebbe airport	7 mentions
The 1976 Olympic Games	5 mentions

Prominent Linked Groups:

(Stories mentioned immediately above are excluded from these statistics.)

All federal political stories	9 mentions
All Ontario political stories	4 mentions
Natural disasters (earthquakes, epidemics, volcanic eruptions, et cetera, in 1976).	5 mentions
All local violent crime and accident stories	15 mentions

Appendix C

Some Examples of Journalistic Codes of Ethics

Example #1: The Code of the American Society of Newspaper Editors

The Primary Function of newspapers is to communicate to the human race what its members do, feel, and think. Journalism, therefore, demands of its practitioners the widest range of intelligence, or knowledge, and of experience, as well as natural and trained powers of observation and reasoning. To its opportunities as a chronicle are indissolubly linked its obligations as teacher and interpreter.

To the end of finding some means of codifying sound practice and just aspirations of American journalism, these canons are set forth:

I. Responsibility

The right of a newspaper to attract and hold readers is restricted by nothing but considerations of public welfare. The use a newspaper makes of the share of public attention it gains serves to determine its sense of responsibility, which it shares with every member of its staff. A journalist who uses his power for any selfish or otherwise unworthy purpose is faithless to a high trust.

II. Freedom of the Press

Freedom of the press is to be guarded as a vital right of mankind. It is the unquestionable right to discuss whatever is not explicitly forbidden by law, including the wisdom of any restrictive statute.

III. Independence

Freedom from all obligations except that of fidelity to the public trust is vital.

1. Promotion of any private interest contrary to the general welfare, for whatever reason, is not compatible with honest journalism. So-called news communications from private sources should not be published without public notice to their source or else substantiation of their claims to value as news, both in form and substance.

2. Partisanship, in editorial comment which knowingly departs from the truth, does violence to the spirit of American journalism; in the news columns, it is subversive of a fundamental principle of the profession.

IV. Sincerity, Truthfulness and Accuracy

Good faith with the reader is the foundation of all journalism worthy of the name.

1. By every consideration of good faith a newspaper is constrained to be truthful. It is not to be excused for

lack of thoroughness or accuracy within its control, or failure to obtain command of these essential qualities.

2. Headlines should be fully warranted by the contents of the articles which they surmount.

V. Impartiality

Sound practice makes clear distinction between news reporting and expressions of opinion. News reports should be free from opinion or bias of any kind.

1. This rule does not apply to so-called special articles unmistakably devoted to advocacy or characterized by a signature authorizing the writer's own conclusions and interpretations.

VI. Fair Play

A newspaper should not publish unofficial charges affecting reputation or moral character without opportunity given to the accused to be heard; right practice demands the giving of such opportunity in all cases of serious accusation outside judicial proceedings.

1. A newspaper should not invade private rights or feelings without some warrant of public right as distinguished from public curiosity.

2. It is the privilege, as it is the duty, of a newspaper to make prompt and complete correction of its own serious mistakes of fact or opinion, whatever their origin.

VII. Decency

A newspaper cannot escape conviction of insincerity if while professing high moral purpose it supplies incentives to base conduct, such as are to be found in the details of crime and vice, publication of which is not demonstrably for the public good. Lacking authority to enforce its canons, the journalists here represented can but express the hope that deliberate pandering to vicious instincts will encounter effective public disapproval or yield the influence to a preponderant professional condemnation.

Example #2:

The following is an excerpt pertaining to televised news presentation from the **Television Code of the National Association of Broadcasters**.

V. Treatment of News and Public Events

News

1. A television station's news schedule should be adequate and well-balanced.
2. News reporting should be factual, fair, and without bias.
3. A television broadcaster should exercise particular discrimination in the acceptance, placement, and presentation of advertising in news programs so that such advertising should be clearly distinguishable from the news content.
4. At all times, pictorial and verbal material for news and comment should conform to other sections of these standards, wherever such sections are reasonably applicable.

5. Good taste should prevail in the selection and handling of news. Morbid, sensational, or alarming details not essential to the factual report, especially in connection with stories of crime or sex, should be avoided. News should be telecast in such a manner as to avoid panic and unnecessary alarm.

6. Commentary and analysis should be clearly identified as such.

7. Pictorial material should be chosen with care and not presented in a misleading manner.

8. All news interview programs should be governed by accepted standards of ethical journalism, under which the interviewer selects the questions to be asked. Where there is advance agreement materially restricting an important or newsworthy area of questioning, the interviewer will state on the program that such limitations have been agreed upon. Such disclosure should be made if the person being interviewed requires that questions be submitted in advance or if he participates in editing a recording of the interview prior to its use on the air.

9. A television broadcaster should exercise due care in his supervision of content, format, and presentation of newscasts originated by his station, and in his selection of newscasters, commentators, and analysts.

Appendix D

A Selected and Annotated Bibliography

Ethics in Journalism

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- Anderson, James A. "The Alliance of Broadcast Stations and Newspapers: The Problem of Information Control" *Journal of Broadcasting*, vol. 16(1), Winter 1971-2, pp. 51-64.
- The suggestion that patterns of multi-media ownership result in both anti-competitive practices and the potential for regressive information control was not found to be valid in Anderson's study – newspaper allied stations performed better generally.
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- Discusses "codes" between police and the press to play down racial unrest.
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- "How Influential is TV News?" *Columbia Journalism Review*, vol. 9(2), Summer 1970, pp. 19-29.
- The International Broadcast Institute panel discusses media dislocation, audience selective perception of news, violence, and the possibility that a misinformed public may impose stringent press controls.
- Hunt, Todd. "Beyond the Journalistic Event: The Changing Concept of News", *Mass Communications Review*, vol. 1, No. 2, April 1974, pp. 23-28.
- Hunt pleads for journalists to move beyond event-centred reporting into an on-going examination of the processes of human behaviour.
- Jones, Harold Y. "Filling Up the White Space", *Columbia Journalism Review*, vol. 14(1), May/June 1975, pp. 10-11.
- As news director of the Expo '74 World's Fair in Spokane Washington, Jones found that smaller newspapers were willing to dispense with writers and reporters and print "canned copy" to fill the spaces between advertisements.

Justice, Blair. "The News Value of Conflict", *Quill*, vol. 53(4), April 1965.

A science writer questions the "curious dichotomy" evident in news play; editors assume that death and disaster rate top billings because readers are interested, but the same editors acknowledge that other news interests *them* much more than conflict items.

"Killing Crime Stories does not Pay off", *IAPA News*, Feb./Mar. 1974, p. 4.

Media in Webster City, Iowa voluntarily suppressed stories dealing with vandalism for 90 days, resulting in 36.5 per cent increase in vandalism.

Knopf, Terry Ann. "Sniping – a New Pattern of Violence?" *Trans-Action*, vol. 6(9), pp 22-29, Summer 1970.

The public and officials misunderstand sniping because of press distortion.

Kroeger, Albert S. "Vietnam: Television's Cruellest Test", *Television*, vol. 23(5), May, 1966, pp. 24-27.

Television news coverage from Vietnam was escalating and there was continuing debate about whether the close-up of the war would be to the public's liking.

Kueneman, Rodney M. "News Policies of Broadcast Stations for Civil Disturbances and Disasters", *Journalism Quarterly*, vol. 52, Winter 1975, pp. 670-677.

This survey found that stations fear public panic and have special policies to withhold information and/or check reports more strictly in the event of natural disasters, and especially with regard to civil disturbances (rioting, looting, etc.).

Mark, Sir Robert. "Kidnapping, Terrorism and the Media", *Nieman Reports*, vol 30, Spring 1976, No. 1, pp. 15-18.

Mark presses for co-operation between police and media to avoid excessive exploitation of crimes: kidnapping, terrorism.

Meyer, John C. "Newspaper Reporting of Crime and Justice: Analysis of an Assumed Difference", *Journalism Quarterly*, vol. 52, Winter 1975, pp. 731-734.

Comparison of the crime coverage by *The New York Times* and *Daily News* found the *Times* with a greater volume of coverage but no other difference.

Morris, Monica B. "Newspapers and the New Feminist: Black-Out as Social Control?" *Journalism Quarterly*, vol. 50, No. 1, Spring 1973, pp. 37-42.

Sparse coverage of feminist movements by papers in England and Los Angeles suggests a black-out may have been in effect.

"News or Non-news", *Editor and Publisher*, Nov. 9, 1974, p. 6.

Citing the case of the Ali-Foreman fight, the complaint is made that news may become a packaged product for private audiences and barred from general airing – rights may soon be sold to all newsworthy events.

Nixon, Raymond B. and Robert L. Jones. "The Content of Non-competitive vs. Competitive Newspapers", *Journalism Quarterly*, Summer 1956.

Payne, David E. and Kaye Price Payne. "Newspaper and Crime in Detroit", *Journalism Quarterly*, vol. 47(4), 1970, pp. 233-238, 308.

This study, which examines crime rate change in Detroit

during two newspaper strikes, found that non-expressive crimes decreased significantly during the absence of daily papers.

Payne, David E. "Newspapers and Crime: What Happens During Strike Periods?" *Journalism Quarterly*, vol. 51, Winter 1974, pp. 607-612.

Analysis of crime statistics during newspaper strikes in several North American cities indicated no concrete evidence of a strong, consistent relationship between newspaper publication and crime rates.

Pool, Ithiel de Sola and Irwin Schulman. "Newsmen's Fantasies, Audiences, and Newswriting", *Public Opinion Quarterly*, vol. 23(2), 1959, pp. 145-158.

Employing "imaginary interlocutors" who figured in journalists' minds while they wrote their stories, Pool and Schulman discovered that the accuracy of reporting was low on good news and bad news alike when the news was incongruent with the reporters' fantasies.

Pride, Richard A. and Daniel H. Clarke. "Race Relations in Television News: A Content Analysis of the Networks", *Journalism Quarterly*, vol. 50(2), Summer 1973, pp. 319-328.

This study shows that the three U.S. networks did not operate uniformly in racial coverage from 1968 to 1970. NBC put more emphasis on the race issue than did the other two networks.

"Profit Motivates Television News, Professor Finds", *Broadcasting*, Jan. 22, 1973, p. 32.

The richer and more profitable a television station or network is, the more – and more controversial – news and public affairs programming it is likely to present and the more likely it is to editorialize. Marginally profitable stations cannot afford to present such programs, especially documentaries, and will stay away from controversy to avoid offense to sponsors.

Rarick, Galen and Barrie Hartman. "The Effects of Competition on One Daily Newspaper's Content", *Journalism Quarterly*, Autumn 1966, vol. 43(3), pp. 459-468.

Analysis of a single newspaper in periods of no, moderate, and intense competition shows that as competitive pressures increase, the choice of local and immediate reward items increases, as predicted.

"Reporting Conflict in An Age of Change", *Columbia Journalism Review* 9 (1), Spring 1970, pp. 24-25.

Recommendations of the National Commission on the Causes and Prevention of Violence regarding the marketing of information about violent events.

Russo, Frank D. "A study of bias in TV coverage of the Vietnam War: 1969 and 1970", *Public Opinion Quarterly*, vol. 35(4), Winter 1972, pp. 539-43.

Russo notes that what may appear as bias may be a revulsion against content.

Ryan, M. "News Content, Geographical Origin and Perceived Media Credibility", *Journalism Quarterly*, vol. 50(2), 1973, p. 312.

This factorial study finds that newspapers are believed more than television in some areas, e.g. state public affairs and science; television is more believed in other areas, e.g. in news of student protest.

Sasser, Emery L. and John T. Russell. "The Fallacy of News

- Judgment", *Journalism Quarterly*, vol. 49(2), Summer 1972, pp. 280-284.
- A lack of consistency in emphasis and in use of similar stories leads to the conclusion that there is no such thing as news of the day important to the public, nor are there editors with background and training to recognize what that news is.
- Schiltz, Timothy. "Perspective of Managing Editors on Coverage of Foreign Policy News", *Journalism Quarterly*, vol. 50(4), Winter 1973, pp. 716-721.
- Newsmen feel that readership of foreign policy news is high and that newspapers have greater influence on policy than other mass media.
- Schwoebel, Jean. "The Miracle *Le Monde* Wrought" (the coming newsroom revolution: 1), *Columbia Journalism Review* 9(2), Summer 1970, pp. 8-11.
- The diplomatic editor of *Le Monde* and architect of its staff-controlled management structure discusses the significance of "reporter power" in the U.S.
- Shafer, Bryon and Richard Larson. "Did tv Create the 'Social Issue'?" *Columbia Journalism Review*, vol. 11(3), Sept./Oct. 1972, pp. 10-17.
- Shafer and Larson press for public education through television news, not public fright. They maintain that television could make Law and Order an issue of real local crime and real local disruption, rather than one of magnified disorder bootlegged in through the evening news.
- Sigal, Leon V. *Reporters and Officials: The Organization and Politics of Newsmaking*. Lexington, Mass.: D.C. Heath and Co., 1973, 221 p.
- Sigal concentrates on the interactions between persons in government and those of the press and the effects on governmental outcomes.
- Singer, Benjamin D. "Violence, Protest, and War in Television News: the U.S. and Canada Compared", *Public Opinion Quarterly*, vol. 34(4), Winter 1970-71, pp. 611-616.
- An analysis of *CBC National News* and *CBS Evening News* indicated that the American television news show exceeded the Canadian program in aggression items (on violence, protest, or war) for every one of the 21 consecutive days monitored, typically at a rate of two-to-one.
- Slater, John W. and Maxwell E. McCombs. "Some Aspects of Broadcast News Coverage and Riot Participation", *Journal of Broadcasting*, vol. 13(4), pp. 366-70, Fall 1970.
- This study indicates that self-imposed censorship may be ineffective, since would-be participants have access to other information.
- Small, William J. *To Kill a Messenger: Television News and the Real World*. New York: Hastings House, 1970.
- Small discusses the role of television in the news events it covers as a "harbinger of ill tidings" and public reaction to it.
- "Task Force Comments on the Press and Violence", *Editor and Publisher*, vol. 103(3), Jan. 17, 1970, p. 50.
- Advocates advance contacts with the police and community dissident groups and recommends close press contacts with proposed rumour clearance centres.
- "Television and Violence", *Television Quarterly*, vol. 8(1), Winter 1968, pp. 30-81.
- FCC Commissioner Johnson says the use of stories of violence is a news judgment and is subject to professional responsibility. Commissioner Loevinger calls for an industry grievance committee. Others suggest that the skill of the journalist is judged by how well he tells disturbances "like they are."
- Trayes, Edward J. "News/Feature Services by Circulation Group Use", *Journalism Quarterly*, Spring 1972.
- After studying U.S. newspapers with circulations of 10,000 and under to 500,000 and over, Trayes concludes that no newspaper can adequately inform its readers without use of the services supplying regional, national, and world coverage.
- "tv Journalism: More Meaning, Wider Range, Harder Work, Bigger Budgets", *Broadcasting*, Aug. 20, 1973, pp. 17-23.
- Aggressive "why" news coverage is "in"; news programs offer expanding diversity as audiences become more selective and competition from independents increases.
- Weaver, David H. and L. E. Mullins. "Content and Format Characteristics of Competing Daily Newspapers", *Journalism Quarterly*, vol. 52, Summer 1975, pp. 257-264.
- Leading and trailing papers (highest, lowest circulation newspapers respectively in the same city) were not found to be significantly different regarding average percentages of news hole space devoted to specific subjects, e.g. crime, vice: 2.7 per cent (leading) 2.4 per cent (trailing).
- Whiteside, Thomas. "Corridor of Mirrors: The Television Editorial Process, Chicago," *Columbia Journalism Review*, 7(4), Winter 1969, pp. 35-54.
- Whiteside discusses institutional determinants of content in the television newsroom.
- Williamson, Lenora. "Page 1 Fire Photos Draw Readers Protests", *Editor and Publisher*, Aug. 30, 1975, pp. 14-15.
- A sequence of dramatic photographs of falling victims of a Boston fire stirs reader protest and editorial explanation.
- Winsbury, Rex. "Snobbish, Cruel and Obsessed by Sex - Is Such a Press Necessary?" *Campaign*, May 19, 1970, p. 17.
- Winsbury concludes that such papers as Britain's sensational *News of the World* are "the price of democracy".
- Witcover, Jules. "Washington: the Workhorse Wire Services," *Columbia Journalism Review*, Summer 1969, vol. 8(2), pp. 9-15.
- The majority of American and Canadian newspapers depend on two major wire services for Washington news. More interpretive and more enterprise reporting is needed for them to carry their responsibility well.

Press Personnel Issues

- Anson, Robert Sam. "Selling Out to Television: Confessions of a Print Man Turned Electronic", *Television Quarterly*, vol. 10(4), Summer 1973, pp. 40-43.
- Anson discussed the supposed differences between print and electronic journalists, quoting Timothy Crouse that all journalists are "shy egomaniacs".
- Bogart, Leo "The Management of Mass Media: An Agenda for Research", *Public Opinion Quarterly*, vol. 37, No. 4, 1973-74, pp. 580-589.
- Bogart suggests priority areas for empirical research on media management, e.g. inter-media competition;

- government subsidies versus freedom from intervention; self-censorship of content to avoid external control; monopoly controls; public broadcasting and interference; economics of cable broadcasting . . .
- Chang, Won H. "Characteristics and Self-Perceptions of Women's Page Editors", *Journalism Quarterly*, vol. 52 (1), 1975, pp. 61-65.
- This national survey shows that women do get lower pay than men in women's departments, but women do see opportunities of improvement of the situation.
- Duscha, Julius. "Why the Good Young Men Leave Newspapers", *ASNE Bulletin* 511, Sept. 1967, pp. 3-4.
- The problem: low pay and an "anti-intellectual atmosphere" in most city rooms and editor's offices.
- Epstein, Edward Jay. "The Values of Newsmen", *Television Quarterly*, vol. 10(2), Winter 1973, pp. 9-22.
- Epstein discusses the social psychology of news personnel.
- Erwin, Ray. "Employment Practices Hit by City Editor", *Editor and Publisher*, vol. 98 (27), July 3, 1965, p. 11.
- A city editor tells journalism teachers that "employment practices of newspapers are out of the stone age of personnel management."
- Fang, Irving E. and Frank W. Gewal. "A Survey of Salaries and Hiring Preferences in Television News", *Journal of Broadcasting*, vol. 15, No. 4, Fall 1971, pp. 421-433.
- From a U.S. national survey of UHF and VHF television stations, Fang and Gewal concluded that salary range is very wide (from less than \$4,000 to more than \$16,000 for starting salaries). Beginning in smaller cities affords the best opportunity of learning broadcast journalism, opportunities for women are widening, most news directors prefer journalism grads or experienced reporters who won't require training.
- Grey, David L. "Decision-Making by a Reporter Under Deadline Pressure", *Journalism Quarterly*, vol. 43(3), Autumn 1966, pp. 419-428.
- Observations of a Supreme Court reporter yields a minute-by-minute diary and suggestions as to how a newsman evaluates and writes stories under a deadline.
- Johnstone, John W. C. "Organizational Constraints on Newswork", *Journalism Quarterly*, 53(1), Spring 1976, pp. 5-13.
- A national American survey finds evidence that increasing centralization in news industry increases job dissatisfaction because of decrease in autonomy.
- Johnstone, John W. C., et al. "The Professional Values of American Newsmen", *Public Opinion Quarterly*, vol. 36(4), Winter 1972-1973, pp. 522-540.
- Johnstone et al discuss their research on a national U.S. sample of media personnel. Internal cleavages occurred regarding journalistic professionalism along lines of education, training, age and environment (urban versus rural).
- Kernan, Jerome B. and Leslie B. Heiman. "Information Distortion and Personality", *Journalism Quarterly*, vol. 49(4), pp. 698-701.
- A controlled experiment shows that neuroticism predicts information distortion where introversion-extraversion does not. The neurotic both over- and under-estimates quantitative information.
- Lynch, Mervin D. and Dan Kays. "Effects on Journalistic Performance of Creativity and Task Dispersion", *Journalism Quarterly*, vol. 44(3), Autumn 1967, pp. 508-512.
- Creativity is associated with productivity and low lexical diversity and syntactic dispersion; all subjects showed superior performance when the writing tasks were widely dispersed in time.
- Markham, David. "The Dimensions of Source Credibility of Television Newscasters", *Journal of Communications*, vol. 18(1), March 1968, pp. 57-64.
- Study of audience perception of television newscasters indicates validity of message, showmanship and trustworthiness are major dimensions of credibility.
- McLeod, Jack M. and Searle E. Hawley, Jr. "Professionalization Among Newsmen", *Journalism Quarterly*, vol. 41(4), Autumn 1964, pp. 529-538.
- A method of indexing professional orientation among journalists is presented. Important distinctions emerged between editorial and non-editorial groups. Editorial staff tended to generally emphasize responsibility and objectivity; non-editorial people mixed excitement into their evaluative judgments.
- Stanton, Barbara. "How Detroit's Newspapers Set the Blackout Record", *Columbia Journalism Review*, Vol. 3(4), Winter 1964.
- A *Free Press* reporter recounts the issues and miscalculations that left the country's fifth city without regular papers for 134 days in an election year. The chief issue: automation.
- Thrush, Robin. "Behind tv News: The Top Newscasters Talk Back About How They See Their Jobs", *Family Weekly*, Feb. 1, 1976, p. 4.
- Seven prominent newsmen offer opinions on censorship, gloom and bias in television news.
- Wilson, C. Edward. "Why Canadian Newsmen Leave Their Papers", *Journalism Quarterly*, vol. 43(4), Winter 1966, pp. 769-772.
- From a survey of Canadian newspaper journalists who had left the field, the general impression emerging from their answers was that insufficient pay was a major factor in their leaving but not the only one. Lack of personal satisfaction, interference of management in news handling, and a lack of opportunity for advancement also operated as major reasons for leaving daily journalism.
- ### Criticism Of The Press
- Altschull, J. H. "Journalist and Instant History - Example of the Jackal Syndrome", *Journalism Quarterly*, vol. 50(3), 1973, p. 489.
- Citing reports of the U.S. 1960 election debates as decisive, and widespread stories of Black Panther murders as examples, Altschull discusses "the jackal syndrome" - an adventurous reporter cites a "fact" which other members of the media then adopt as gospel and spread throughout the country, regardless of the "fact's" truth.
- Argyris, Chris. *Behind the Front Page: Organizational Self-Renewal in a Metropolitan Newspaper*. San Francisco: Jossey-Bass Publishers, 1974.

- After participant observation at a newspaper, Argyris purports that journalists are not the mythical saints that society sometimes considers them.
- Bagdikian, Ben. H. *The Effete Conspiracy and Other Crimes by the Press*. New York: Harper and Row, 1972.
- Bagdikian assesses the performance of the mass media to answer the charges levied by Spiro Agnew.
- Bagdikian, Ben H. "Fat Newspapers and Slim Coverage", *Columbia Journalism Review*, September/October, 1973, vol. 12(3), pp. 15-20.
- U.S. dailies are growing fatter, but 83 per cent of the pages added since 1950 are advertising, and much of the rest is "soft" news or puffery. Bagdikian foresees that the future video home-terminal news format will depend upon perceptive reportage and skilled analysis of events.
- Bagdikian, Ben H. "Newspapers: Learning (Too Slowly) to Adapt to TV", *Columbia Journalism Review*, 12(4), Nov./Dec. 73, pp. 44-51.
- A study of newspapers shows that most are not offering the analysis and interpretation needed to supplement live television coverage.
- Bagdikian, Ben H. "The Way It Was and the Way I Call Them", *Columbia Journalism Review*, vol. 5(3), Fall 1966, pp. 5-10.
- Bagdikian criticizes columnists, especially rightwingers, for their careless handling of facts.
- Barnett, William L. "Survey Shows Few Papers Are Using Ombudsmen", *Journalism Quarterly*, vol. 50(1), Spring, 1973, pp. 153-156.
- It is apparent from this study that the reader-access function of ombudsmanship has achieved little status among the major daily papers in the U.S.
- Brown, R. "Accuracy, Fairness, Credibility", *Editor and Publisher*. April 27, 1974, p. 60.
- Reporting on results of the ASNE and ANPA annual meetings, Brown notes that "accuracy, fairness and credibility should be the theme for 1974."
- Brown, R. "Criticism From Within", *Editor and Publisher*, Feb. 16, 1974, p. 44.
- The debate within the U.S. newspaper business is discussed regarding CIA-employed reporters and the overplaying of Watergate in the news.
- Chomsky, N. "Reporting IndoChina - News Media and Legitimation of Lies", *Social Policy*, vol. 4(2), 1973, pp. 4-19.
- Chomsky discusses publication and suppression of news for political convenience, claiming that little difference exists between Saigon censorship and the American model.
- Cirino, Robert *Don't Blame the People: How the News Media Use Bias, Distortion and Censorship to Manipulate Public Opinion*. New York: Vintage Books, 1971.
- From a content analysis of presentations by selected major news organizations, Cirino launches a harangue against middle-of-the-road establishment news media.
- "Crisis Coverage" *Newsweek*, vol. 70(18), Oct. 30, 1968, pp. 60-62.
- In the heat of competition, newspapermen are quick to blame television for inflaming riots both are covering, but all media should take the blame for inflaming passions and catapulting minor extremists into prominence.
- "Cut Out Carnival Coverage", *Broadcasting*, vol. 70(24), June 13, 1966, p. 72.
- Following reversal by U.S. Supreme Court in the Sheppard murder case, broadcast newsmen can expect more stringent measures to control coverage of criminal trials.
- Daniels, Derek. "Challenge to J-Educators: Newsprint Shortage will Bring Fewer Pages, More 'Useful' News", *Journalism Educator*, vol. 29(3), Oct. 1974, pp. 3-6.
- Daniels views immediate utility of information as the crucial consideration for future newspapers as the supply of newsprint decreases in response to economic determinants.
- Diamond, Edwin. "Multiplying Media Voices", *Columbia Journalism Review*, vol. 8(4), Winter, 1969-70, pp. 22-27.
- Diamond stresses the importance of the alternate press in greater access to and for readers. He advances five ideas to further the achievement of media diversity.
- Emmet, Christopher. "The Media and the Assassinations", *National Review*, vol. 20(26), July 30, 1968, pp. 749-9.
- The "Establishment press" should not have suppressed Sirhan's diary because its publication helped improve U.S. image in the world. Too much television coverage of mourning increased morbid and hysterical reactions.
- English, Earl. "Journalism's Public Responsibility is Greater than Formerly Believed" *Journalism Educator*, vol. 30(3), Oct. 1975, pp. 12-17.
- English presses for a consideration of General Semantics in journalism education as a framework of protection for themselves and the public against the perils of misused symbols.
- Epstein, Edward Jay. *Between Fact and Fiction: The Problems of Journalism*. New York: Vintage Books, 1975.
- Epstein tends to dismiss all daily journalism - from CBS news to *The New York Times* as useless or dangerous; he characterizes the press role in Watergate as a 'David and Goliath' myth, yet still manages to assess the value of American journalism favourably.
- Friendly, Fred. *Due to Circumstances Beyond Our Control . . .* New York: Random House, 1967.
- A biting critique of CBS news policy by a former news executive of that network.
- Geiger, Louis G. "Muckrakers - Then and Now", *Journalism Quarterly*, vol. 43(3), Autumn 1966, pp. 469-476.
- Muckrakers set out to create a general climate of reform and personal responsibility. Their essential failure was as much due to limitations in their media and audience as in themselves. Today, reform and good works have been institutionalized negating the muckrakers optimistic for the personal involvement.
- Gerald, J. Edward. *The Social Responsibility of the Press*. Minneapolis: U. of Minnesota Press, 1963, 214 pp.
- A thoughtful examination of the press as a commercial and professional agency and of its relationship to other institutions within society. The author clearly suggests that the press does not live up to its responsibility.
- Goldenson, Leonard H. and Elmer W. Lower. "Some Other Views on Violence and the Proper Journalistic Function of

- Television". *Television Quarterly*, vol. 8(1), Winter 1970, pp. 63-9.
- In reporting disturbances, broadcast news is criticized by Americans who are reluctant to accept bad news.
- Grubb, Donald R. "Media Will Dig for the 'Why,' Offer Exciting Opportunities in the 1970's", *Journalism Educator*, vol. 25(1), 1970, pp. 11-12.
- Among other changes, Grubb foresees that sensational (e.g. crime) news will yield to socially significant content in the 1970s.
- Guenin, Zena Beth. "Women's Pages in American Newspapers: Missing Out on Contemporary Content", *Journalism Quarterly*, vol. 52, No. 1, 1975, pp. 66-69, 75.
- The call of critics for story variety and a broadened audience appeal is not being met by traditional women's pages or by modern re-named sections.
- Haley, Sir William. "Where TV News Fails", *Columbia Journalism Review*, vol. 9(1), Spring 1970, pp. 7-11.
- Television newsmen have become technology's captives. To escape they must go beyond showing "happenings" and reintroduce "sifting, reporting, and evaluating".
- Hausman, Linda Weiner. *Criticism of the Press in U.S. Periodicals, 1900-1939: An Annotated Bibliography*. Austin, Texas: Association for Education in Journalism, 1967, 49 pp. (Journalism Monographs, no. 4).
- Hohenberg, John. *The News Media: A Journalist Looks at His Profession*. New York: Holt, Rinehart and Winston, 1968.
- Topics include truth in the coverage of Vietnam, "herd" journalism, "junket" journalism, the credibility gap, and the news media's role in shaping public opinion.
- "How the Vise has Tightened on Broadcast Journalism", *Broadcasting*, Feb. 19, 1973, pp. 24, 26.
- The Alfred I. du Pont-Columbia University Survey of Broadcast Journalism (1971-72) found newsmen caught in the battle between management-stockholder, politician-bureaucrat trying to keep their wealth, power, and selfrespect. They rejected the Nixon administration's deliberate attempts to discredit the press, claiming that newsmen were doing a generally perceptive job.
- Isaacs, Norman. "The Bumpy Road Ahead", *Grassroots Editor*, vol. 11(9), May-June 1970, pp. 12-16.
- The public is angry, partly because newspaper journalism is complacent and arrogant.
- Kelley, C. "Crime and the News Media", *Editor and Publisher*, June 15, 1974, p. 62.
- Clarence M. Kelley, Director of the FBI advocates restraint in publicizing such vogue crimes as skyjacking and kidnapping to help combat lawlessness.
- "Kennedy and King Murders Lead List", *Editor and Publisher*, vol. 101(52), Dec. 28, 1968, p. 32.
- AP members voted assassinations top news stories of 1968.
- Knopf, Terry Ann. "Media Myths on Violence", *Columbia Journalism Review*, vol. 9(1), Spring 1970, pp. 17-23.
- A study of media performance reveals improvements and a healthy willingness to experiment with new procedures. But certain shortcomings persist: no attempt is made to place violence in a social context, criminals are stereotypically viewed to reinforce public myths . . .
- Knopf, Terry Ann. "Sniping Incidents and the Role of the Press", *Nieman Reports*, vol. 23(2), June 1969, p. 1, 25-29.
- Knopf suggests that the press has been constructing a scenario on armed uprisings and asks that the story line be dropped in favour of more restrained, judicious and accurate reporting, and more creative, background journalism.
- LeRoy, David J. *Mass News: Practices, Controversies and Alternatives*. Englewood Cliffs: Prentice-Hall, 1973.
- Discussion of television news, newspapers, wireservices, and professionalism among journalists.
- Lindstrom, Carl E. *The Fading American Newspaper*, Garden City, N.Y.: Doubleday, 1960, 283 pp.
- A cogent, hard-hitting critique of the present-day newspaper by an experienced newspaperman. He cites the failure of publishers to meet challenges, to keep up with mechanical developments, and to move away from outmoded approaches in writing.
- Long, Howard. "The Press: Healer or Mortician?" *Grassroots Editor*, vol. 11(2), pp. 2-4, Mar.-Apr. 1970.
- A reluctance to embrace self-criticism, and a trend toward concentration contribute to the media's problem.
- Lowry, Dennis T. "Gresham's Law and Network TV News Selection", *Journal of Broadcasting*, vol. 15(4), Fall 1971, pp. 397-408.
- Contrary to Spiro Agnew's assertion, bad news does not drive out good news on network television evening newscasts (one third bad versus two thirds other). Bad news (war, crime, violence . . .) is given insignificant position preference and more visual emphasis than "other news". ABC carried significantly more bad news than CBS or NBC.
- Marsh, H.D. "How Journalism Teachers View Media News Performance", *Journalism Quarterly*, vol. 50(1), 1973, pp. 156-158.
- Teaching specialty was a determinant of attitudes toward media news performance, with editorial-print media teachers tending toward newspapers as more potent news media than television, while other teachers tend to exhibit opposite points of view.
- Murphy, James E. *The New Journalism: A Critical Perspective* (Journalism Monographs 34). Lexington, Ky.: Association for Education in Journalism, 1974.
- Murphy questions the utility of the "New Journalism" concept of reporting.
- "The New Press Critics: Grassroots Review Samples #3", *Columbia Journalism Review*, Special Supplement, Nov.-Dec. 1972, pp. 29-40.
- Excerpts from various U.S. periodicals criticizing press performance from the treatment of hijackers to the over-emphasis on trivia in show-biz news.
- Otto, Herbert A. "Sex and Violence on the American News-stand", *Journalism Quarterly*, vol. 40, pp. 19-26.
- "Prof. Tebbel Blasts Press Inadequacies", *Editor and Publisher*, vol. 98(17), April 24, 1965, p. 88.
- A noted historian of journalism talks of press failings.
- Rivers, William L. and Everett E. Dennis. "Other Voices Linger", *Journalism Educator*, vol. 29(2), July, 1974, pp. 5-9.
- Criticism of the New Journalism is broken down into five

categories and the necessity of diversity in journalism is stressed.

Schlesinger, Arthur M. "Give the Public a Break!" *Nieman Reports*, vol. 19(3), pp. 18-19, Sept. 1965.

A succinct suggestion for more hard news and less entertainment in the news columns, and for the establishment of local "advisory councils" of citizens to appraise the "quality and balance" of a paper's news coverage.

Seldes, Gilbert. "Television: In Peril of Change", *Television Quarterly*, vol. 4(2), Spring 1965, pp. 9-16.

Seldes asks if television went too far in covering the Kennedy assassination and wonders if television were primarily responsible for Oswald's murder.

Sheldon, Courtney R. "The White House and the Press: (Almost) Everybody Out of the Pool", *Mass Communications Review*, vol. 1, No. 1, Aug. 1973, pp. 3-8.

Sheldon criticizes Nixon's use of the "pool" concept as a substitution for traditional dialogue between government and press.

Skornia, H.J. "Broadcast News: A Trade in Need of Professionalizing", *Educational Broadcasting Review*, June 1973, pp. 137-148.

Stein, M. L. "The Press Under Assault: View From the U.S.", *Saturday Review*, vol. 51(41), pp. 75-6, Oct. 12, 1968.

The press has become the nation's scapegoat for racial rioting, crime, et cetera in the U.S.

Stone, Vernon A. and Thomas L. Beell. "To Kill a Messenger: A Case of Congruity", *Journalism Quarterly*, vol. 52, Spring 1975, pp. 111-114.

Results of an experiment support the argument that the mass media share the hazards of the ancient Persian messengers who brought bad news. Bias, in the form of newscaster endorsement of a report, tended to lower his esteem with the audience even when the news was good.

Stostek, H. "Factors Influencing Appeal of TV News Personalities", *Journal of Broadcasting*, Winter 1973-74, pp. 63-71.

Strentz, Herbert et al. *The Critical Factor: Criticism of the News Media in Journalism Education* (Journalism Monographs, No. 32). Lexington, Ky.: Association for Education in Journalism, 1974.

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Tatarian, Roger. "We Must Be Doing Something Right", *Nieman Reports*, vol. 21(3), Sept. 1967, pp. 20-3.

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Tobin, Richard L. "More Violent Than Ever", *Saturday Review*, vol. 51(45), Nov. 9, 1968, pp. 79-80.

Tobin claims the media deserve criticism for their narrow concept of what constitutes news, for bad news and violence as television's staple fare, and for failure to meet public needs.

"... Too Many Instances Where Newspapers and TV Provoked Violence" *IFI*, vol. 18(3-4), pp. 17-20, Jul./Aug. 1969.

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Wiggins claims that adversary journalism will not lead the public to love the journalism profession, presenting facts instead of conjecture will gain respect and credibility.

Young, Whitney, Jr. "The Social Responsibility of Broadcasters", *Television Quarterly*, vol. 8(2), pp. 7-17, Spring 1969.

Young claims that the media seldom document the injustices which lead to the violent demonstrations.

An Analysis of Some News-Flow Patterns and Influences in Ontario

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Chapter One

An Introduction: The Nature of the Study and Its Method

Information is generated whenever and wherever human beings interact with each other, or react to forces at work in their environment. A minute portion, relatively speaking, of this vast aggregate of expended human energy is deemed by journalists to be “newsworthy”, that is to say of interest, in their opinion, to large numbers of people other than those directly involved, and is processed through all or part of a world-wide news dissemination system. The volume of information converted into news around the world each day is itself incredibly large, many thousands of times greater than any newspaper editor or broadcast news director could hope, or even want, to include in the daily content of his newspaper or broadcast.

To make the sheer bulk manageable, news is forced through an intricate flow system with many individuals, editors and journalists, placed along the way, selecting and rejecting news items. These people have been described as “gatekeepers”, the analogy being to a farmer sorting a large herd, opening a gate in a fence to certain individuals and closing it to others.¹

The first gatekeeper in the world-wide system is the reporter writing for a local paper or television or radio news operation in any town or city anywhere in the world large enough, and affluent enough, to support one or more of these mass media. He simply decides what information in his immediate environment is “newsworthy”, and deserving of conversion into a news article, and his is the first “gate”. But the article he has written has just begun its journey. It must pass through at least one, and probably two or three, more gates manned by his own editors before his article will be printed or broadcast by his own newsroom. Assuming this happy event occurs, and the odds are about even that it will, the article must pass through many more gates if it is to be given further public exposure in cities and towns halfway round the world, or even 50 miles down Highway 401.

Once published or broadcast at the originating level, a news article may be selected by a national news wire service, such as Canadian Press, or by an international service such as the American-based Associated Press (AP) and United Press International (UPI), or the British-

based Reuters News Agency. Many gatekeepers will be placed along a news story’s pathway through a wire system – the original selecting agent or editor in the originating community, reporters who rewrite for different emphases, translators who convert to different languages, editors functioning at the wire service’s “nerve centre” newsroom where dispatches from all over the globe are gathered and sorted, and finally the editors who select items for inclusion in output wires to various clusters of media customers, content being selected according to geographic location, technical needs (print or broadcast), and content interests (business, religion or general mass information) of the wire recipient. Assuming the original article has passed through all these gates, it then must pass through the gates of two or more editors in the receiving newsroom. The whole process rarely takes more than 24 hours, even if the originating point is a most obscure and inaccessible corner of the globe; but the statistical odds against an article clearing all gates increase greatly as an article moves further and further from its point of origin.

In this study, we have examined a very small portion of the world-wide news system, those strands of its web which are located entirely within Ontario, and those which enter the province from the rest of the world.

The task has been to map these strands, to find out which ones are more important than others, and where the more influential gatekeepers are. We wanted to find out what kinds of information are stressed in the system and most likely to pass through all the gates. And we wanted to find out which gates are most open geographically – where most of the news comes from. Some emphasis has been placed upon the relatively little examined role played by newspapers, and given the context of the study as a research endeavour funded by The Royal Commission on Violence in the Communications Industry, and the information needs of the Commissioners, special consideration has been given to the flow of news of violence through the system.

There are few research reports available comparable to the work described in the following pages, and none dealing with only the Canadian context.² This study

must be considered something of a beginning, therefore, and its conclusions should be regarded more as indicators for further more intensive and specific research than as absolutes.

Our special concern, and caution, is with regard to the size of the sample upon which the study is based. Ideally, a study of this sort requires a sample that is wide, in the sense that all possible inputs into the system are covered; and deep, in the sense that the sample should cover enough news-days to generate exact statistics. There is no difficulty with the breadth of our sample (clearly the more important dimension), but the depth, though it involves a systematic examination of the flow of news through Ontario for three full news-days, is not fully adequate for the purposes of a definitive study. A statistically ideal sample would cover 15 to 30 randomly selected days over a period of a year, whereas (due to research time constraints and a limited availability of raw news material for analysis) we have used a rather small and clustered sample which may be expected to produce statistical variances, possibly as great as plus or minus eight per cent, from those one might normally anticipate from the larger and more ideal sample.³ To compensate, we have regarded all statistics as indicators suggesting trends and probabilities rather than as precise statements of absolutes. A useful beginning is none the less made in these pages, one which we hope will generate more exhaustive studies.

A statistically complete sample of the Ontario news system's content was accumulated and analyzed for each of the three days, May 19, 26 and 28, 1976. This represents a total of more than 2,400 individual newspaper, television news and wire-service items.

Each sample day contained the following elements:

Wire Services

1. The Canadian Press "A" Wire – that is, the news co-operative's main national trunk wire carrying CP's distillation of all major Canadian and international news events of the day.

2. The Canadian Press "Ontario" Wire – that is, the service transmitted from Toronto to most CP subscribers in Ontario. It carries highlights from the "A" Wire, a selection of Ontario news deemed to be of regional interest only, and a service of syndicated features (advice, hobbies, medical columns and the like), some business, women's and sports information. (Only hard news elements were included in the sample.)

3. The Associated Press national wire as received at UPI's Detroit, Michigan, bureau.

4. United Press International's Canadian wire as prepared at UPI's Canadian office in Montreal.

5. Reuters News Agency's Canadian service wire as prepared at the Reuters office in Toronto.

Newspapers

6. A sample of Ontario's newspapers was used in which

we sought representation in terms of geographic location, circulation size, and type of ownership. The newspapers used in the sample were: *The North Bay Nugget*, *The London Free Press*, *The Hamilton Spectator*, *The Kingston Whig-Standard*, *The Globe and Mail* and *The Toronto Star*. In each newspaper, all information of a hard news nature was encoded from pages one, two and three, and from the two other most prominent news pages inside the individual papers.

Television

7. Scripts of the national news broadcasts of the CBC and CTV networks.

8. Scripts of the evening national/regional newscasts of Global Television, a Toronto-based operation, unique in Ontario, with a network of remote transmitters blanketing most of southern Ontario.

9. The main evening newscasts, in videotape form, for each of the following: CBLT and CFTO in Toronto; CFPL in London; CHCH in Hamilton; and CKWS in Kingston.

The sample was restricted to hard news and associated news features. Business, sports, women's, and other specialized categories of news were eliminated, as were editorials, columns of opinion, quasi-entertainment syndicated columns, and all other non-news material. Where specialized hard-news items from sports, women's, business and the like were co-opted into the main news pages, or incorporated in the main news-stream of wire service output or broadcast, these elements were included.

Each news item from the sample was encoded according to source (newspaper, wire or broadcast), geographic origin, category of content, and item prominence in print/broadcast. Newspaper article headlines were encoded, and in the case of broadcast, descriptive titles were assigned and encoded. "Slugs" – newsroom vernacular for the working titles of news stories, as printed by the wire services for all transmitted items – were encoded for story identification purposes. In the item categorization process, described below, approximately ten per cent of the coding decisions were subjected to coder reliability tests, with no test yielding a correlation of less than 85 per cent agreement.

A dual-categories system was devised for the purposes of the study, with the two parts of the system designated Class I and Class II.

Class I allowed separation of items into basic informational categories like politics, business and economics, religion, et cetera, and, most important for the purposes of this study, violence. Coders were instructed to assign all articles and items having central and primary violent themes to Class I.

The second classification level, Class II, was used to divide violent information into a wide range of types and degrees of individual, social and natural violence. The primary purpose of the secondary classification system in the context of the present study was that it enabled us to develop an assessment of violence in the

news on several levels related to the significance of the violent content in individual news items.

All items receiving a "Violence" assignment in Class I automatically received further sub-classification in Class II, the dependent and specialized range of violence categories. In addition, any item *not* receiving a violence assignment in Class I, but containing an important *secondary* violent theme in the judgment of the coder, was given appropriate classification in Class II.

The system therefore yielded a three-level breakdown of sampled material in terms of violence content: (a) non-violent news in a range of ten categories; (b) news which was primarily violent in all its important aspects; and (c) news in which the main theme was not violent, but in which at least one prominent and supportive secondary theme was. To illustrate the sorts of information assigned to each of our two levels of violence classification, a story chronicling criminal activity, a robbery or a murder automatically would receive violent classification at both levels (Class I and Class II); on the other hand, a story about legitimate labour-management relationships (primarily non-violent information) but with a strong secondary theme describing a future possibility of strike action (a form of social violence) would receive violence classification at the secondary level only (Class II).

In examining the data on subsequent pages, the reader is asked to appreciate that the *paramount* instruction to coders was that they must be absolutely certain in their determination of violence classifications. We felt that if there was a possibility of error or inappropriate judgment in this critical aspect of the research, it would be far better to err on the side of conservatism. Where there was clear doubt at either level of classification with regard to any item, that item did not receive the violence classification for which it was being considered, but was classified as though it did not contain the doubtful element.

A "prominence index" was also devised for the purposes of this study. Researchers analyzing content data in the news media have recognized for many years the obvious problem that some items in a newspaper or in a broadcast are more prominently displayed, and therefore are more likely to be read or viewed with close attention than are others. In many content studies, prominence has been measured, sometimes rather roughly, according to length of item and headline size in the case of newspapers, and by item length and time and sequence position in the case of broadcast. Such prominence systems can be made more elaborate, and more useful, by noting other display factors such as the presence or absence (and type) of graphics associated with a given item.

For the purposes of the present study, a number of factors affecting item prominence were grouped so that their presence or absence, or degree of presence or absence, could be translated into a numerical value on a

scale between zero and ten.⁴ An empirical test of the system as applied in newspapers was made by comparing values achieved on a proportionate basis with actual readership percentage levels as measured in surveys conducted by the newspaper market analysis firm, Daniel Starch (Canada) Limited. The sample of Starch surveys available to us for comparative purposes was quite small, but the correlation between the results of our comparatively crude but simple device, and the very elaborate Starch measurement system, were gratifying.

General Characteristics of the Ontario News Web

The “nerve centre” of the Ontario portion of the world-wide news web is the newsroom of Canadian Press on King Street in Toronto. CP is a news cooperative owned by 110 daily newspapers – virtually the entire roster of daily papers in Canada. CP is financed in large measure by the member newspapers, each paying a share of the cooperative’s costs proportionate to its circulation. (In 1974, for instance, the largest member newspaper paid \$200,000 toward CP’s maintenance, while the smallest paid \$7,000.) Additional revenues are derived from the sale of news services to radio and television outlets through the CP subsidiary, Broadcast News Limited, established in 1956.⁵

The affairs of the news cooperative are managed, and policy established, by the member newspapers on a basis of one vote per paper, regardless of the significant variations in newspaper sizes. Unlike many national news services in other countries, CP receives no financial support from any government, and operates free from governmental policy directives of any kind.

CP uses up to five wires in the transmission of its services to newspapers and broadcast outlets in Ontario: the “A” wire of national and international content, and the “Ontario” regional wire, both described previously; two ancillary wires, one providing primarily sports items and some business content, and the other used primarily for overload purposes when more items must be moved than other wires in the system, especially the “A” wire, can accommodate. This service is important only to major dailies with multiple deadline schedules, and most material so moved is normally retransmitted as time becomes available on an appropriate major wire. Finally, there is the “Broadcast News” wire produced by Broadcast News Limited, the closely linked CP subsidiary. The content of the BN wire is virtually identical to that of the Ontario wire – the two wires are produced in the same Toronto newsroom – but with items rewritten to meet the specialized language used in broadcasting.

The “Ontario” and the “Broadcast News” wires constitute the most basic service a newspaper or broadcast outlet can acquire. Obviously, these are the standard, and often the only, wire services received in

the smallest news operations of the province. Larger papers, virtually all those with circulations above 20,000 copies daily, also receive the “A” wire, and in most instances the sports wire as well. Larger television and radio operations also subscribe to these services, even though it means rewriting the copy to suit broadcasting needs.

CP operates a highly efficient news-exchange system. It maintains a staff of its own reporters in major centres in Canada, but apart from governmental news from Ottawa and, in the case of Ontario, the legislature in Toronto, both of which it covers extensively, CP originates relatively little news. The great bulk of the material it moves originates with member newspapers, which work under an agreement in which they place their entire news content at the disposal of the news cooperative. In larger Canadian centres, CP maintains offices where full-time staff members of the news service gather the daily local news output and send selected items to Toronto for further editing and selection processes and possible ultimate inclusion in one of the cooperative’s output wires. In smaller communities, an individual, usually a reporter for the local paper, is designated as the CP agent, and is responsible for sending news from his area to CP in Toronto. Radio and television newsrooms have no contractual obligation to supply local news to CP, though a number do so on a voluntary basis.

As the major Canadian subscriber to various international wire services, Canadian Press, at its Toronto newsroom, is by far the most significant importer into Canada of U.S. and other foreign news. The world-wide American news agency, the Associated Press (AP), has a cooperative exchange relationship with CP and provides the greatest portion of foreign news carried on CP wires. AP delivers several of its wires to a CP office in New York where a small staff of editors selects from this rather large volume of material a “budget” (wire service jargon meaning a selection of news items) for transmission to CP’s Toronto newsroom. Items from this AP budget are selected for inclusion, under the AP logo, in CP’s various internal Canadian services. CP receives a similar service, though of considerably smaller volume, from the world-

wide British-based news service, the Reuters News Agency, and from a small selection of foreign national news agencies such as Agence France Presse. Reuters maintains a bureau in Toronto where its staff members prepare a wire for a small group of Canadian media customers, among them the Canadian Press.

Canadian Press is clearly the nerve centre of the Ontario news web. Virtually no domestically generated news items move from one point in Ontario to another without passing through the hands of CP's gatekeepers in the cooperative's Toronto newsroom. Furthermore, by far the larger portion of foreign news ultimately published or broadcast in Ontario also passes through the hands of CP's editors in Toronto. (Few newspaper readers, aware as they must be of the familiar AP and Reuters logos on so many foreign news stories they read, can be aware that these stories have been selected, in the majority of cases, by CP's gatekeepers, and have reached them via Canadian Press wires.)

However, there are a number of strands in the Ontario news web, some of them quite influential, which bypass the Toronto nerve centre of the Canadian Press. United Press International (UPI), the American news agency which competes on a global scale with AP, maintains offices in Montreal, where the agency prepares a wire for Canadian consumption of U.S. and other foreign news. This wire is transmitted directly to a handful of very large Canadian media customers, the largest among these being *The Toronto Star*. This constitutes an important alternative to the much more pervasive AP and Reuters content as fed through CP. Reuters also feeds its Canadian service directly to a number of media customers, *The Globe and Mail* and *The Toronto Star* among them, constituting a bypass around the CP gatekeepers which, in this case, permits Reuters' customers to make their item selections directly from the agency's transmitted budget. In addition, the news system of the Canadian Broadcasting Corporation (CBC), and to a lesser extent that of the CTV network, receive foreign material from a variety of wire services in addition to those of the Canadian Press, and from various foreign networks and national broadcasting systems by direct off-air feed and satellite transmission agreements.

At the domestic level, alternatives to the dominant Canadian Press system are less important, though there are some significant elements. All the newspapers represented in our sample, for instance, have private reporter services in Ottawa, and most also at the provincial legislature in Toronto. The content of such services consists primarily of political news – frequently political commentary and analysis – and is intended usually to supplement CP's blanket coverage of Canadian political activity, not to compete with it. The three newspaper chains operating in Ontario – Southam, FP, and Thomson Newspapers – maintain private networks among their member papers, but again, the content of these is limited in volume and consists almost entirely of

political news and commentary. (The chains, through their member newspapers, are heavy financial supporters of Canadian Press, and have no desire to duplicate the cooperative's thorough and relatively economic news-exchange services.)

In the broadcast field, Canadian Press, through its subsidiary, Broadcast News, clearly dominates. In recent years, BN has developed a voice service for television, and especially radio, which permits its customers to receive voice actuality accounts from remote news centres. However, a number of small private operators that have been in the field for some years provide BN with limited competition, especially in the dissemination of political news from Ottawa and from the provincial legislature in Toronto. News generated at these political news centres is frequently predictable, and relatively cheap and easy to gather; the private operators rarely venture into the more general news arena where news-generating events tend to be far less predictable, can occur anywhere and at any time, and are more costly to cover. BN, therefore, is largely alone in the field, with the important exception of the specialized area of political-governmental information.

As a final note in this general description of the Ontario news system, it seems probable that the dominant role now held by Canadian Press and its Broadcast News subsidiary will become even more solid in future years. At the time of writing, CP has all but completed its conversion to a fully computerized news processing and transmitting system. This computer technology involves computerized news storage and sorting, and editing on computer-linked visual display terminals. Relatively few Ontario newsrooms have as yet acquired the matched computer hardware which will allow them to receive the virtually instantaneous computerized transmission service from CP in Toronto, but this must be regarded as a technical lag which will disappear in relatively few years.

Chapter Three

Relationships and Influences in the News-Flow System

An appropriate first observation to be made about the news that flows through the Ontario web is that there is a great deal of it. Newspaper readers typically are exposed to about 45 hard-news stories in each day's edition of their paper, and television audiences watch a combination of national and local news telecasts in late-evening time slots consisting of about 25 items. Possibly few people realize, despite the gates in the system which eliminate very large volumes of news data (a phenomenon about which most people are also quite unaware) that the typical editor or news director, acting as a final pre-publication/broadcast gatekeeper, receives far more material than he can possibly use.

In a typical three-day period, such as the one from which our sample was taken, we can assume most newspaper editors will be able to publish about 135 hard-news items of various sizes and prominence, while news programmers responsible for coordinating national/local news combinations, will be able to use about 75 items. During our three-day period, Ontario editors, served by the typical combination of the Canadian Press "A" and "Ontario" wires, received 573 items from the two services, 274 from the "A" wire, and 299 from the "Ontario". The space/time problem is further complicated by the fact that in our sample, only 56.7 per cent of available newspaper space, and in television, only 69.2 per cent of available time, was assigned to wire-service or other out-of-town news material. The locally produced news, filling the remainder of available space/time in the typical newsroom, would have been greater by about a factor of two than space/time available for publication or broadcast would have permitted.

A critical factor that clearly emerged from our data concerns this volume of news material available to editors and news directors, which results in the extremely varied daily content of the various media outlets. It is quite possible to read *The London Free Press*, *The Toronto Star* and *The North Bay Nugget* on the same date of publication and wonder if they are describing the same society. The same might be said of local telecasts, and to a lesser extent, of the competing national news telecasts.

We found this to be not only interesting, but rather touched with irony as well. There is a prevalent myth among newspeople, and members of the public as well, that the major Toronto newspapers, via Canadian Press, set the news agenda and, again through the facilities of the wire service, even write much of the news content of the smaller newspapers across the province. This myth is often extended to include the notion that the CBC, CTV and Global national news selections are made only after careful reference to *The Globe and Mail's* first late-evening edition. (Torontonians are among the few who can live the fantasy of reading tomorrow's newspaper today. *The Globe and Mail's* first edition is on the streets of Toronto at 9:30 p.m. each evening prior to the actual date of publication, a bit of gentle chronological hocus-pocus which, with the collusion of the airlines, gives substance to the pretence *Globe and Mail* subscribers hold dear that they are reading today's newspaper today, wherever they happen to be in the country.)

Substance is given below, from the data, to our contention that "retail" news (the news content of print and broadcast actually consumed by the public) contains much more varied fare than is popularly supposed. There are other factors, however, which indicate that the news "wholesalers", primarily the wire services which provide so much of the retailers' material, are believers in the notion that the greater and more important portion of news from Ontario and the world is that selected for publication/broadcast each day by the Toronto media, especially the Toronto newspapers.

In fact, twice each day, morning and evening, Canadian Press transmits synopses of the front pages of the three Toronto dailies as they are published, and summary statements of the key elements in the major network telecasts as they occur. Presumably, the gatekeepers at CP—a Toronto-based group, one should always remember—believe editors and news directors in smaller Ontario communities will require this information before deciding upon the content of their own daily editions.

This presumption is given substance by a dateline frequency survey taken from our "A" and "Ontario"

wire data of points of origin of CP content (Figures 1 and 2). Of the 573 individual hard-news items transmitted on the two wires, 100 were datelined Toronto, and another 104 (almost all these items containing political-governmental information) were datelined Ottawa. Ten more Canadian centres, four of them in Ontario, had five or more datelines for a total of 113 (Montreal, with 42, having the lion's share from this grouping). Of the remaining items transmitted, 109 were from foreign points of origin, leaving only 147 datelines scattered across Ontario and the rest of Canada: no one place in this group received more than four datelines. Thus, 53 per cent of the Canadian items in the sample came from only three points of origin: Toronto, Ottawa and Montreal (a poor third).

Newsrooms outside Toronto, however, do not necessarily respond in their published/broadcast material to the influences presumed to exist in the popular news-flow mythology just demonstrated by the survey of our sample of Canadian Press content. In fact, editors and news directors outside Toronto appear to do what they can to minimize the impact of the heavy Toronto – Ottawa weighting in the CP content they receive (Figure 2). We discuss this point with more specific references to the data below, along with other factors apparently contributing to variations in individual media content. However, prior consideration must be given to a number of important aspects of the news-flow process which, at first glance, at least, seem to give credence to the notion that news at the retail level across Ontario is both thoroughly homogenized and Toronto – Ottawa centred.

Figure 1

Canadian Press – Dateline Frequency Survey

The sample of Canadian Press material, from both the "A" and "Ontario" wires, contained a total of 573 datelines identifying centres in Canada, the United States and other foreign countries as points of news origin. Of these, only 19 centres shared 74.5 per cent of all items transmitted during the sample period. The breakdown follows:

Canadian Centres

	Datelines
Ottawa	104
Toronto	100
Montreal	42
Quebec	11
Hamilton	11
Vancouver	10
St. John's	10
Edmonton	7
Regina	7
Sault Ste. Marie	5
Belleville	5
Windsor	5

United States Centres

Washington	44
New York	12
Los Angeles	5

Other Foreign Centres

London	25
Beirut	11
Moscow	6
United Nations	6

All remaining centres receiving datelines in the sample received between one and four dateline mentions.

Figure 2

Newspaper Sample – Dateline Frequency Survey

The sample contained 686 individual hard-news items, of which 197 received no datelines, being of local origin to the newspapers in which they appeared. This left a sample of 389 datelined items (56.7 per cent of the total) from centres outside the circulation areas of the surveyed papers. Eleven centres shared 56.8 per cent of the datelined items or 32.2 per cent of the total sample.

Canadian Centres

	Datelines
Ottawa	75
Toronto	45
Montreal	19
Vancouver	10
Stratford	8
Quebec City	7
Napanee	7
Pictou	6
Belleville	5
Other Ontario (from 40 centres)	79
Other Canada (from 14 centres)	18
Total	279

United States Centres

Washington	14
Other (from 23 centres)	25
Total	39

Other Foreign Centres

London	20
Tel Aviv	5
Other (from 30 centres)	46
Total	71

All centres not specifically identified by name received four or fewer dateline mentions.

A. The Illusion of Sameness

Superficially at least, all the newspaper and broadcast content *seems* the same. And indeed it is, in the restricted sense that Ontario's news people are bound to a common set of traditions and values by which they identify newsworthy information, sort relative priorities of news items, and use a unique journalistic style. News fraternity traditions and behaviour are described by the writer in another study for the Commission.⁶ But the notion that there is a certain homogeneity of news *themes* is significant in the context of this discussion, and is validated quite clearly in our data.

Though the breakdowns in these summaries deal specifically with the violent elements in the news, we found that each of the ten non-violent primary categories tended to be present with similar emphases in each of the retail media in the sample. Political news inevitably received the highest share of content, and religious news the lowest, with other categories ranked variously in between. The proportions varied little from one medium to the next, too little in most instances for the casual reader to discern thematic differences. The tables on violence content (Figures 5-7) demonstrate that the great majority of percentages in each column are within seven points of the sample average. There are exceptions, of course, which might tend to even out somewhat in a larger sample. There are, for instance, the rather high exceptions in the sample, such as *The Hamilton Spectator* and Global Television News, and the consistently low example of *The Kingston Whig-Standard*, in violence content for the sample period. These three examples show the most extreme variation from the sample norm, but would not likely influence any subconscious public sense about thematic proportions in news presentation. It is also significant that the proportions of violence content in the sample of Canadian Press material analyzed approximate quite closely the percentages in the tables pertaining to newspaper and television content (Figures 5-7).

A second point promoting what we regard as the illusion of system-wide homogeneity in the Ontario news web derives also from proportionate comparisons – in this case the proportions of content allotted by the media and the wire services according to geographic proximity. Again, a breakdown of the content at both the retail and the wholesale levels indicates that news is presented in more or less common proportions throughout the web on a geographic basis. The percentage comparisons (Figure 10) indicate that the frequency with which news items are selected decreases sharply according to their distance from the point of publication or broadcast. This remains quite consistent from one media outlet to another and adds to the superficial appearance of content homogeneity in the news system.

B. The Reality of Content Differences

The apparent homogeneity among newsretailers in the

web is largely illusory in terms of actual content. Journalistic style, thematic similarities, the effect of geographic proximity, and the Toronto – Ottawa emphasis in the content of the Canadian Press wires all promote this illusion and, in fact, do create the limited amount of content homogeneity which *does* exist in the system. However, in a detailed examination of retail media content they are seen to be less significant than anticipated. The following data indicate just how varied the actual content of the news media is. In this case, we are dealing with newspapers, but similar patterns exist in televised news as well.

Figure 3

Newspapers – Prominence of Heavily Used Wire-Service Items

Newspapers* using the item, and the prominence level of each item, are indicated beside each numbered item.

Date: May 19

Canadian Press

Item #1: *Globe* 6.0
Free Press 4.5
Whig 4.0
Spectator 4.0
Nugget 3.5

Item #2: *Spectator* 7.5
Free Press 6.0
Whig 6.0
Star 3.5
Nugget 2.5

Item #3: *Star* 4.0
Globe 3.0
Spectator 3.5
Free Press 2.5

Item #4: *Free Press* 2.5
Globe 1.5
Star 1.5

Item #5: *Nugget* 6.5
Whig 5.0

Two other items received two instances of publication each, with prominence levels of 2.5 or less.

Associated Press

Item #1: *Spectator* 4.0
Globe 3.5

Item #2: *Globe* 4.0
Spectator 2.5

No other significant multiple uses were observed from AP, UPI or Reuters offerings.

Date: May 26

Canadian Press

Item #1: *Globe* 3.5
Free Press 3.0
Spectator 3.0

Item #2: *Star* 3.5
Whig 3.0
Nugget 1.5

Item #3: *Nugget* 7.0
Whig 5.0

Associated Press

Item #1: *Globe* 4.5
Whig 4.0
Free Press 2.5
Spectator 1.0

Item #2: *Globe* 6.0
Spectator 5.0
(from Reuters) *Star* 7.0

Item #3: *Whig* 3.0
Nugget 2.5

No other significant multiple uses were observed.

Reuters

Item #1: *Free Press* 3.5
Star 3.5

No other significant multiple uses were observed.

*Note abbreviations:

Nugget: *The North Bay Nugget*
Free Press: *The London Free Press*
Spectator: *The Hamilton Spectator*
Whig: *The Kingston Whig-Standard*
Globe: *The Globe and Mail*
Star: *The Toronto Star*

The tables in Figure 3 tell us a number of things. First, not one story in the common wire-service pool enjoyed total usage during the study period, at least not in the prominent sections of the newspapers examined. Three stories in the three-day period were covered in five of the six papers and, as the tables indicate, only 20 wire stories enjoyed significant multiple use in the sample.

This low level of content duplication is probably modified by two factors not measured in this study. The first of these is that some wire stories may have been duplicated by staff correspondents of individual papers, or possibly by the limited private services such as those operated by the Southam newspaper chain. Modest in-house wires, such as Southam's, consist primarily of political news and commentary and are not likely to be a significant factor in the present context however. Second, it is *probable* that some of the duplicated items dropped into inconspicuous pages outside the sampled portions in the papers studied. However, here they would most likely receive quite low prominence rankings, and therefore not alter our findings significantly. The conclusion remains that content in the five news pages of greatest prominence in each of the sample newspapers is extraordinarily varied.

A summary of instances of wire-service usage is provided in Figure 4; it supports the contention that there is relatively little common content in the sampled portions of the papers. *The Hamilton Spectator* rose to a usage level of 22 instances in one day, the highest in the sample. No other paper used more than 17 items in a single day; however, in the five prominent pages sampled in each paper, the norm was about 13.

Where common usage occurred, especially in the 20 multiple-use chains identified in the sample, the stories involved tended to be displayed quite prominently. This is evident in the generally high prominence index levels assigned to most of the stories identified in each multiple-use case described in the tables. Most of these stories appeared on page one of the newspapers using them, and most of the multiple-use situations – there were exceptions – contained at least one instance where

Date: May 28

Canadian Press

Item #1: *Spectator* 8.0
Globe 7.0
Whig 6.0
Nugget 5.5
Star 4.0

Item #2: *Nugget* 4.5
Star 3.5
Whig 3.5
Spectator 3.5
Globe 3.0

Item #3: *Whig* 6.5
Free Press 3.5
Star 3.0

Item #4: *Free Press* 2.0
Spectator 2.0
Nugget 1.5

Item #5: *Nugget* 2.5
Spectator 1.5
Free Press 1.0

Associated Press

Item #1: *Spectator* 5.5
Star 2.5
Whig 2.0

the story was used as the major headline item of the day.

As we have seen, an average 43.2 per cent of the content of our newspaper sample was undated, locally produced news material. When this fact is coupled with the evidence that wire-service copy is used less extensively than one might imagine, and apparently at random, and if the common usage patterns described are an indication, then one may conclude that there is a high degree of individuality in the content of Ontario's newspapers.

What we have said of newspapers also seems to apply to television news. The strongest common content link we could identify among television news programs was that existing between the late evening national newscasts of the CBC and CTV networks. These networks shared an average of five news stories in each of the three days, almost all with high prominence levels in both networks. The shared items accounted for 41 per cent of available time in the CBC newscasts, and 45.9 per cent in the CTV newscasts. Both newscasts are essentially national headline services and, with the exception of the occasional feature item, do little more than offer the most prominent news events of the day. These are the

same items that receive extensive multiple-use in the newspapers.

Conversely to the CBC - CTV situation, we found no statistically important link between Global Television's format, which combines local, regional and national news, and the respective combinations of CBC and CTV with their Toronto affiliates, CBLT and CFTO.

Finally, the Toronto market does not seem to encourage duplication of items any more than the limited extent noted in the rest of the province. *The Toronto Star* and *The Globe and Mail* share in the province-wide phenomenon of independent copy selection, and appear to have little direct and visible impact upon each other's content, or that of the national and local television news services.

The Toronto Sun, a morning tabloid, operates apart from the general news tradition of the province and is difficult to link comparatively with, say, *The Toronto Star* or *The London Free Press*. We examined its content, and found that it bore little relationship to the content, thematic structure, or journalistic format common to other Ontario newspapers. We chose to regard it as an aberration, therefore, and to exclude it from the context of this study.

Figure 4

Newspapers — Instances of Wire-Service Use in Sampled Portions of each Newspaper

Newspaper	Date	Number of News-Service Items Used				Total per day
		CP	AP	UPI	Reuters	
<i>North Bay Nugget</i>	May 19	10	—	—	—	10
	May 26	14	3	—	—	17
	May 28	10	1	—	—	11
<i>Globe and Mail</i>	May 19	6	1	—	3	10
	May 26	2	3	—	3	8
	May 28	11	1	—	—	12
<i>London Free Press</i>	May 19	12	2	—	1	15
	May 26	10	6	—	1	17
	May 28	7	3	—	4	14
<i>Toronto Star</i>	May 19	6	—	2	4	12
	May 26	2	2	4	5	13
	May 28	3	3	5	2	13
<i>Kingston Whig-Standard</i>	May 19	12	—	—	—	12
	May 26	14	2	—	—	16
	May 28	12	2	—	—	14
<i>Hamilton Spectator</i>	May 19	11	3	—	2	16
	May 26	12	7	—	2	21
	May 28	13	5	—	4	22

Violence in the Flow of News

A concept which underlies much of what we have said about media news content in previous chapters has to do with the idea that, while there are significant variations in actual content elements, there are also strong thematic similarities. This phenomenon, in our opinion, is largely responsible for the illusion that the news media manifest an overwhelming sameness in content selection. We have attempted to demonstrate the rather extraordinary variety that actually exists in the detail of content, but we have also suggested that there is considerable substance to the thesis that there are, conversely, strong thematic similarities, i.e. sameness in news definition as generated by the common English-language journalistic tradition in which Ontario news people share; standardization in journalistic writing and editing style; and, most important in the present context, a standardization of informational themes and of the amounts of information offered in specific categories.

Violence is one of journalism's underlying themes, and it is present both with consistency and strength throughout the content of the province's media. Overtly violent news items, i.e., items classified in Class I as having dominantly violent themes, are consistently and quite visibly present in the news, though perhaps not preponderantly. This is demonstrated in the tables summarizing both general and violence content in each of the newspaper and television groupings in the sample (Tables 1 and 2).

The thematic presence of violence in both Class I and Class II, expressed as percentages of total content in number of items and in inches/seconds for each of the three media groupings is summarized in Figures 5, 6, and 7. Note that in Class I approximate figures on violence indicate 17 per cent of the total items, but only about 15 inches of the total copy in the newspaper and wire copy sampled.⁷ Television levels of violence in Class I are markedly higher, but not sufficiently so to suggest that television journalists, much more than their print and wire-service colleagues, are obsessed with copy of an overtly violent nature. The fact that the inches/seconds factor is lower than the items factor in the cases of all three media groups indicates that the

larger amount of violent news consists of brief, low-prominence items.

Figure 5

Canadian Press —
Percentages of Violence Content in Sample

	Class I		Class II	
	Items	Inches	Items	Inches
CP "A" Wire	17.1%	14.4%	36.8%	33.0%
CP "Ontario" Wire	15.0	10.5	35.4	31.3

Class I: Items with violent primary themes.
Class II: Items with violent primary or secondary themes.

Figure 6

Newspapers — Percentages of Violence Content in Sample

	Class I		Class II	
	Items	Inches	Items	Inches
London Free Press	13.6%	12.2%	41.8%	40.3%
Globe and Mail	17.6	15.5	46.9	41.6
North Bay Nugget	12.1	6.3	36.3	30.2
Hamilton Spectator	28.2	24.6	49.6	48.7
Toronto Star	20.7	15.7	36.9	38.2
Kingston Whig-Standard	12.6	12.5	24.2	28.4
Sample Averages	17.5	14.5	39.3	37.9

Figure 7*Television — Percentages of Violence Content in Sample*

	Class I		Class II	
	Items	Seconds	Items	Seconds
CBC	20.3%	8.7%	44.4%	36.7%
CTV	13.3	6.5	51.1	41.1
Global	32.6	22.6	57.1	47.9
CBLT	34.2	29.2	45.7	37.3
CFTO	40.5	36.2	45.9	45.6
CFPL	20.6	10.5	41.3	32.7
CHCH	21.2	10.8	31.9	25.2
CKWS	11.7	3.6	35.2	36.1

Unfortunately, an assessment of the relatively moderate presence of violence as indicated by the Class I identification process does not tell the whole story. If it did, one would have some difficulty mounting any reasonable argument to suggest the news media were behaving in an untoward manner by unduly emphasizing violent elements in the news. The primary role of the news media, after all, is to tell society about itself, and, given the unfortunate nature of modern society in many of its aspects, the assignment of approximately 17 per cent of media content to overtly violent news does not seem especially out of the way.

The picture of violence levels in the news becomes rather more ominous when one examines the statistics concerning violence in Class II. Here, coders were instructed to include not only those items with overtly violent primary themes, but also those with violent secondary themes contributing importantly to the content of the story. Coders were warned, however, to exercise caution in all their estimations of violence in classification decisions.

Despite this, violence levels of considerably greater magnitude were recorded at the level of secondary themes. Figures 5, 6 and 7 demonstrate increases in violence levels to an average 39.3 per cent in the case of newspapers as measured by items; to 36.8 per cent in the case of the Canadian Press "A" Wire; and to 44.1 per cent, also as measured by items, in the case of television news. These percentages are lower when the measurement of secondary violence is taken by inches seconds rather than by items, which indicates again that the violence is present more in a large number of small, relatively low-prominence items than the relatively few high-prominence, heavily displayed items. Even allowing for these tempering factors, however, the data suggest evidence for concern with regard to the significance of the violent theme as a common underlying factor in Ontario's news-flow system.

When we undertook this study, our small research

group debated at some length on the definition of violence provided for us by the Commission. We felt it could be interpreted unrealistically in too broad a sense, that it could be read to include aspects of life that are both inevitable and perfectly natural as violent human experiences. The naturalness of death in old age, for instance, or the birth agonies each of us and our mothers experienced might be construed as being violent, but to interpret the definition so broadly would make it of little use in the process of taking a measure of possible aberrational media concentration on elements of violence in the human condition. It was for this reason that we refined the definition in the process of creating our coding instrument, and that we were especially cautious in identifying items for Class II inclusion. And yet, the concept that violence can be both subtle and emerging in unexpected corners must be considered. Violence and the aberrational presentation of it in the media frequently are infinitely more subtle than the obvious murders, volcanic eruptions, epidemics and wars, and the news reports of such phenomena. The media do not seem to recognize this fact sufficiently.

The Toronto Star, for instance, has a specific policy, to which all its editors adhere, that overtly violent news must not appear on the front page unless there are demonstrable reasons demanding its inclusion. Despite this policy, we note from our sample data that the *Star's* violence level climbs to 36.3 per cent of content by items, and to 38.2 per cent by inches. These percentages would seem to suggest that the *Star* actually reverses the trend described in our data, and plays news with secondary violent themes at levels of greater prominence than news with no violent themes. We note as well, that in the Class I statistics (the area where the *Star's* embargo on violence must have its greatest impact), the percentage of violence expressed in inches is nearly five percentage points below the 20.7 per cent figure for the measurement of information by items. This data would indicate that the *Star* plays its overtly violent stories at a rather low-key level.

Our prominence-index system was used to measure the relative prominence in display of non-violent and violent news elements. Violence was measured for this purpose by the Class I system (Figures 8 and 9). Here we noted some interesting diversions in the behaviour of newspaper and television editors in the display of violent news, though in both media, the violence items are rather well distributed among the non-violent ones. Prominence levels were grouped for the purposes of these tables: high, indicating all items between 6.5 and 10; medium, 3.5 to 6.0; and low, 3.0 and under.

The 19.4 violence percentage in the high category for newspapers is somewhat above the Class I average for newspapers, and suggests the papers tend to display a small number of overtly violent items with great prominence. This is supported by the fact that of the 20

Figure 8*Newspapers —
Violence Content Breakdown by Prominence Index*

Number of items in each prominence level for violent and other content

Prominence level	High (10-6.5)	Medium (6-3.5)	Low (3-0)
Violent primary themes	7	33	79
Other themes	29	234	304
Violence content as a percentage	19.4%	12.3%	20.6%

Note: the Class I system has been applied in this breakdown to indicate the prominence in print of items with violent *primary* themes relative to other news content. Items with violent *secondary* themes only (Class II) are not specifically identified.

Figure 9*Television —
Violence Content Breakdown by Prominence Index*

Number of items in each prominence level for violent and other content

Prominence level	High (10-6.5)	Medium (6-3.5)	Low (3-0)
Violent primary themes	8	20	52
Other themes	30	141	79
Violence content as a percentage	21.0%	12.4%	39.6%

Note: the Class I system has been applied in this breakdown to indicate the prominence in broadcast of items with violent *primary* themes relative to other news content. Items with violent *secondary* themes only (Class II) are not specifically identified.

multiple-use chains of stories described in Figure 3, 15 had received at least Class II violence classification by our coders.

The significant comment made about television news coverage by prominence measurement is that the very high percentages of violence, described in Figure 7, are quite heavily weighted in the low-prominence region. To some extent, this must be regarded as a leavening influence on the overall impact of violence news in television as measured by our sample.

Finally, in this discussion of violence content in the provincial news-flow, we were struck by the relationship

between violence content and geography. The geographic breakdowns by violence content describe two general themes: the percentage of total news content tends to *decrease* rapidly as distance from the point of publication or broadcast *increases*; and the violence element in content increases greatly as distance increases (Figures 10, 11 and 12).

Figure 10*Summary Comparison — Geographic Origins of News*

	News- papers	Tele- vision	CP "Ontario"
Ontario	65.1%	45.1%	46.4%
Canada (including Ottawa)	18.7	36.0	36.1
United States	5.6	11.2	8.0
All other foreign	10.3	7.5	9.3

Figure 11*Newspapers — Violence Content by Geographic Origin*

These percentages are derived from Class II statistics, and therefore reflect all items in the sample containing primary themes of violence and/or significant secondary themes of violence.

	Total Items	Class II Violence	
		Items	Percentage
Local	297	55	18.5
Regional	150	92	61.3
National*	129	53	41.0
U.S.*	39	15	38.4
Other foreign	71	44	61.9

* Violence content statistically drops in "national" and "U.S." geographic categories due to the presence of heavy amounts of relatively non-violent political-governmental news.

Figure 12*Television — Violence Content by Geographic Origin*

These percentages are derived from Class II statistics, and therefore reflect all items in the sample containing primary themes of violence and/or significant secondary themes of violence.

	Total Items	Class II Violence	
		Items	Percentage
Local	54	19	35.1
Regional	95	42	44.2
National	119	48	40.3
U.S.	37	15	40.5
Other foreign	25	19	75.0

The 297 purely local items in the sample newspaper had a comparatively low 18.5 per cent violence content in the Class II category (which includes stories with both primary and significant secondary violent themes). The picture changes dramatically, however, when we examine items from foreign sources other than the U.S. Here only 71 articles appeared in the sample, but 61.9 per cent of these had at least significant secondary violence themes.

The case of television is even more dramatic. During the sample period, a mere 25 items originating at foreign sources other than the U.S. appeared in the content examined, but an extraordinary 75 per cent of these were assigned to the Class II violence category.

Figures 11 and 12 describe a situation, then, in which Class II violence content and geographic proximity relate in almost a direct ratio: violence content increases as distance increases. On the other hand, distance and the percentage of content share an equally evident inverse ratio: the greater the distance away from the point of publication or broadcast, the smaller the allotted share of available news space/time. An apparent discrepancy between these statements of ratios and the actual statistics presented in Figures 11 and 12

appears in which total content *increases* at the national level, the middle geographic classification range, while violence content tends to *decrease*, reversing the described trends. This reversal is due to the presence in the news-flow system of large amounts of comparatively non-violent political news from Ottawa which, for convenience, has been classified as national content. When this specialized content is removed, the statistical ratios hold true as previously described.

It may be a truism, but it is characteristic of human nature to view with mistrust, and even fear, those people, places and things which are far away, and therefore strange and unfamiliar. It may be nothing more than this understandable (if not always desirable) human trait which is reflected in editorial decisions that seem to place emphasis upon violence in the selection of stories from remote places. There is nothing in our data to suggest any different explanation.

What is evident from the data is that the overall content of foreign wire-services entering Canada contains, in itself, no greater or lesser a percentage of violent content than do the Canadian Press output wires or, for that matter, the newspaper pages and television newscasts we examined. There does seem to be a

Figure 13

Canadian Press — Violence Content Summary for Three-Day Sample

CP "A" Wire

	Total		Violence in Class I		Violence in Class II	
	Items	Inches	Items	Inches	Items	Inches
May 19	98	1,411	14	180	27	333
May 26	83	1,058	14	129	34	379
May 28	93	1,293	19	236	40	531
Total of three days	274	3,762	47	545	101	1,243
Percentages of totals			17.1	14.4	36.8	33.0

CP "Ontario" Wire

	Total		Violence in Class I		Violence in Class II	
	Items	Inches	Items	Inches	Items	Inches
May 19	91	755	9	36	28	172
May 26	107	913	25	139	44	327
May 28	101	921	11	99	34	312
Total of three days	299	2,589	45	274	106	811
Percentages of totals			15.0	10.5	35.4	31.3

process, however, whereby the gatekeepers at each stage in the news-flow select or “distill out”, as it were, the violence content forwarded by the gatekeepers at the previous stage. Canadian Press gatekeepers, for instance, tend to select a percentage of violence elements from the Associated Press material they receive from New York considerably greater than the actual presence of violence content in the AP wire. To complete the chain, newspapers and television stations at the “retail” level tend further to choose the violence elements, especially in remote foreign material, from the wire content they receive from Canadian Press. (Figures 13 and 14 compare violence levels in Associated Press and Canadian Press content. These tables can be read in comparison with Figures 11 and 12, describing violence content by geographic origin in the retail media.)

One final curiosity in the violence by geographic origins tables (Figures 11 and 12) is the rapid increase in the statistical presence of violence as one moves from the local to the regional levels of geographic item classification. This is especially pronounced in the newspaper sample in which Class II violence moves from an 18.5 per cent presence at the local level to 61.3 per cent at the regional level. (Local was defined for

classification purposes as being within the municipal boundaries of the subject medium, including undated material from the immediate ex-urban area surrounding the municipality. Regional was defined as all other Ontario material, excluding Ottawa.)

We could identify no statistical explanations for this phenomenon from the data, though we can, with some hesitation, offer a suggestion which presents interesting possibilities for future research. Most newspapers and television stations maintain a fairly extensive list of people serving as news contacts – described as “stringers” in the jargon of the trade – who live in ex-urban and regional communities within roughly a 50-mile radius of the centre of publication/broadcast. Such individuals rarely are trained journalists, and usually work on a part-time basis. They tend to do rather a perfunctory job of work, covering crime, accidents, criminal trials, and other such highly visible and frequently violent happenings as these occur in their communities. This possible factor, along with the demonstrated phenomenon of the increase in violence content with distance, may explain the extraordinarily high violence levels in the regional classification of our sample, especially in the case of newspapers.

Figure 14

Associated Press — Violence Content Summary for Two-Day Sample

	Total		Violence in Class I		Violence in Class II	
	Items	Inches	Items	Inches	Items	Inches
May 26	120	931	16	109	37	308
May 28	128	851	23	158	60	372
Total of two days	248	1,782	39	267	97	680
Percentages of totals			15.7	14.9	39.1	38.1

Chapter Five

Tables Summarizing Newspaper and Television Data

Table 1

Newspapers — Summary of Content of Three-Day Sample

	Date	Total		Violence in Class I		Violence in Class II	
		Items	Inches	Items	Inches	Items	Inches
<i>London Free Press</i>	May 19	29	221	3	16	10	80
	May 26	44	287	6	37	23	138
	May 28	37	241	6	39	13	84
	Totals	110	749	15	92	46	302
<i>Globe and Mail</i>	May 19	26	243	3	25	8	61
	May 26	32	313	8	75	16	139
	May 28	55	337	9	39	29	172
	Totals	113	893	20	139	53	372
<i>North Bay Nugget</i>	May 19	31	207	2	4	13	80
	May 26	37	287	3	8	10	54
	May 28	31	272	7	37	13	98
	Totals	99	766	12	49	36	232
<i>Hamilton Spectator</i>	May 19	41	388	7	68	15	172
	May 26	42	440	15	144	24	230
	May 28	48	416	15	95	26	294
	Totals	131	1,244	37	307	65	606
<i>Toronto Star</i>	May 19	39	356	5	32	12	102
	May 26	44	357	13	83	18	143
	May 28	47	415	9	63	18	187
	Totals	130	1,128	27	178	48	432
<i>Kingston Whig-Standard</i>	May 19	37	317	4	16	9	59
	May 26	30	287	3	32	3	32
	May 28	36	347	6	71	13	180
	Totals	103	951	13	119	25	271

Table 2*Television — Summary of Content of Three-Day Sample*

	Date	Total		Violence in Class I		Violence in Class II	
		Items	Seconds	Items	Seconds	Items	Seconds
CBC	May 19	20	315	5	60	9	125
	May 26	19	689	4	85	9	219
	May 28	15	1,471	2	72	6	566
	Totals	54	2,475	11	217	24	910
CTV	May 19	15	1,154	1	15	8	449
	May 26	12	1,206	2	62	8	535
	May 28	18	1,113	3	152	7	446
	Totals	45	3,473	6	229	23	1,430
Global	May 19	17	1,528	5	191	9	481
	May 26	15	1,348	5	212	6	357
	May 28	17	1,423	6	571	13	1,224
	Totals	49	4,299	16	974	28	2,062
CBLT	May 19	11	1,093	1	15	2	117
	May 26	11	1,164	5	534	5	534
	May 28	13	997	6	402	9	564
	Totals	35	3,254	12	951	16	1,215
CFTO	May 19	14	710	6	210	6	210
	May 26	12	820	3	140	4	270
	May 28	11	1,010	6	570	7	680
	Totals	37	2,540	15	920	17	1,160
CFPL	May 19	9	678	3	85	6	350
	May 26	8	703	0	0	1	127
	May 28	12	669	3	132	5	195
	Totals	29	2,050	6	217	12	672
CHCH	May 19	15	1,367	3	164	4	394
	May 26	17	1,187	5	154	6	181
	May 28	15	1,100	2	77	5	347
	Totals	47	3,654	10	395	15	922
CKWS	May 19	12	1,191	2	51	6	626
	May 26	10	1,234	1	45	5	635
	May 28	12	1,159	1	35	1	35
	Totals	34	3,584	4	131	12	1,296

Conclusions and Recommendations

Probably the most striking phenomenon in the Ontario news-flow system is the dominant gatekeeping position of the Canadian Press. The news cooperative has been described as “one of the most overlooked institutions in Canadian life. Like the purloined letter, it is so much in view that it is not seen.”⁸ The ubiquitous presence of the Canadian Press is inevitably limited to the modest (CP) logo introducing published news items supplied by the news agency, and in television, even this small signature disappears. By tradition and convention, broadcast journalists rarely give tribute to the producers of news they do not prepare themselves. Most publishers and station owners, and their editors and news directors, are quite content with CP’s low public profile; they would prefer to emphasize the unique things their media produce, not the commonly shared elements.

Clearly, however, the significance of Canadian Press in the provincial news-flow system makes a higher degree of public awareness of the cooperative and the nature of its assigned tasks desirable. Although CP does a thoroughly competent job of moving news information through the province, and of bringing the world into Ontario, there are problems.

In the first place, with 104 and 100 items datelined at Ottawa and Toronto respectively out of a total three-day output of 573 items in the combined product of the cooperative’s “A” and “Ontario” wires, there seems to be an undue emphasis placed upon activities in these two centres (Figure 1). Obviously the affairs of the federal government, which provide the bulk of the Ottawa content, and the business, cultural and provincial government information of the Toronto content are extremely important. But it is worrisome that this bulk of information is transmitted at the apparent expense of information generated in other parts of Canada. That in these extraordinary times Quebec should have only 11 datelined stories moved in CP’s Ontario wires during a three-day period, compared to 104 Ottawa items, is a matter of some concern. No less a matter of concern is the fact that during the same sample period, Calgary, Saskatoon, Winnipeg, St. John, Halifax, Charlottetown, London, Ontario, and any number of other important Canadian communities were

present in the Canadian Press content of the Ontario news flow on only four or fewer occasions. CP’s nerve centre, its major national newsroom, is in Toronto, and this may explain the dominant position that city enjoys, not only in the provincial news flow, but in the national one as well, as the content of the nationally transmitted “A” wire demonstrates. With the exception of the large Ottawa staff, very few CP staff members originate news stories; generally the cooperative’s journalists rewrite and transmit stories generated by other people. This may explain the tendency of the news service to emphasize its own Ottawa material.

Whatever reasons may lie behind the Toronto – Ottawa domination of CP content, our data demonstrates the heavy emphasis on these two cities. While both have great importance in our national life, nevertheless there is a serious imbalance evident which must do damage to the cause of national unity.

Canadian Press also has a heavy responsibility as the major importer of foreign news into Canada. Ideally, we would like to see more news importers, more gatekeepers, and therefore more views of the rest of the world coming into the country. For the present time, however, the major responsibility lies with CP; there could be improvements.

At the very least, CP could establish news bureaus at a number of strategic geographic locations around the world. At present, CP’s continuing foreign presence, represented by journalists who are Canadian citizens, is limited to New York, Washington and London. We would like to see more foreign bureaus with staff members doing two things: reporting on happenings important to Canadians, of course, but also doing the sort of work CP’s New York office does now, gathering local national wire-service content, but from a Canadian perspective; feeding budgets into CP’s Toronto office from content edited by people who view the world with Canadian eyes. Although CP and its member newspapers do not have the financial resources to establish a Canadian equivalent to the Associated Press, more could certainly be done to Canadianize the flow of foreign news into the country.

In this vein, we feel the burden need not be CP’s

alone. Several Canadian newspapers and the Canadian Broadcasting Corporation already maintain foreign correspondents whose work usually enters the shared CP news pool. But more newspapers and newspaper chains could be involved. The profitable *London Free Press* maintains no foreign bureaus, for instance, and the Southam, FP and Thomson newspaper chains do very little in the way of foreign reporting.

The primary concern of this study has to do with the presence of violence in the provincial news-flow system, and the balance of these concluding comments is directed toward this matter.

Clearly, the phenomenon demonstrated by our data that violence content increases with geographic distance should be bothersome to all gatekeepers in the Ontario news-flow system. We can only suggest, as our data indicates, that if most editors find 18.5 per cent of local news to be violent (a worrisome enough statistic in itself), then surely human beings going about their ordinary business in more remote parts of the world cannot be generating violent news to a 61.9 per cent level (Figure 11). Gatekeepers in the system should make some effort to balance this unrealistic percentage in the foreign news they process. Canadian Press, as the major news importer in the system, might be urged not only to balance its "budgets" by including a greater proportion of useful foreign news, but to clear the clutter of low-prominence violence stories from its domestic content as well. A traffic fatality in Orillia, Ottawa or Orono is a personal and private tragedy for the individuals involved, but does it deserve a place in the very restricted transmission time of the "Ontario" wire?

Finally, there is the question of the violence levels in the content of the retail media at the local level. According to our sample, newspapers show 18.5 per cent of newsworthy happenings in their immediate communities to be of a violent nature; television stations, 35.1 per cent (Figures 11 and 12). The answer must be a subjective one, but in our view, the levels seem somewhat unrealistic.

Endnotes

1. Schramm, Wilbur, "The Gatekeeper: A Memorandum" in *Mass Communications*, Wilbur Schramm, ed. (Urbana, Ill.: The University of Illinois Press, 1960).
2. Some examples of related research and methodologies are offered in a selective bibliography appended to this report.
3. Problems of sample size in content analysis are treated in Budd, Richard W., Robert K. Thorp and Lewis Donohew, *Content Analysis of Communications* (New York: The Macmillan Company, 1967), p. 16.
4. The idea of utilizing a numerical prominence value scale was suggested by Professor Benjamin Singer of the University of Western Ontario. The index used in this study is evolved from one developed by Professor Singer in a study of the treatment of several ethnic minority groups in a sample of Canadian newspapers. (Unpublished at this date.)
5. For an excellent description of CP's history and organization, see Cummings, Carman, "The Canadian Press: A Force for Consensus?" *Journalism, Communication and the Law*, G. Stuart Adam, ed. (Toronto: Prentice-Hall of Canada Limited, 1976), pp.86-103.
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7. Column inches measurements in this study have not been standardized to allow for small variations from one paper to another in column widths and type sizes. Where column inch comparisons are made, therefore, they are expressed as percentages of available news space.
8. Cumming, Carman, op. cit., p. 86.

Appendix A

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Economic Determinants of Violence in Television and Motion Pictures and the Implications of Newer Technologies

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Chapter One

Introduction

Violence in feature films and television programs is well entrenched, and appears to have become more widespread and explicit over the past several years. It would appear that reasonably favourable audience reception to the violence theme, combined with various other factors, has encouraged producers of film and producers and programmers in television to focus on violence. This study attempts to identify and analyze economic factors in the feature film and television media as they pertain to content, with particular reference to the presentation of violence. Among the variables examined are market size, proximity of markets, producers' perception of market demand, costs of production and their relation to themes and format, revenues, the nature and features of the industries, distribution and exhibition infra-structures, and audience demographics.

In the study, the film and television industries in both Canada and the U.S. are examined. Particular attention is focused on the interaction of the two markets, highlighting the dominance of U.S. film and television in the Canadian market, the economic basis of this dominance, and its influence on Canadian audiences, the film industry, and television programming. Most of the feature films exhibited in Canadian theatres are U.S.-produced. U.S.-produced television programs are shown on, and strongly influence, Canadian television, and these programs and feature films predominate on cable in this country. Any study of content determinants in films and television in Canada cannot treat this country in isolation. Determinants of content in film and television in Canada can be traced primarily to the determinants of content in the U.S. Consequently, a considerable portion of this study deals with film and television program production in the U.S., together with the pattern of television programming in that country.

Feature film is examined in Chapter 2 and television in Chapter 3. In these chapters, the factors which influence film and television program production, with particular reference to violent content, are examined. Assertions have been made that violence is the cheapest (most efficient) format for successfully attracting audiences, relative to costs of production. This question

is examined for both feature film and television programs. Costs of production and revenues of violent and non-violent films are analyzed to determine whether a correlation exists between film theme, costs and revenues. The state and constraints of the Canadian film and television program production industries are also examined, together with the distribution and exhibition infrastructures. Particular attention is given to the determinants of television network programming in the U.S., including costs of producing various types of programs, ratings, the oligopoly games that the networks practise and the resulting homogeneity and lack of diversity in program schedules, and the consequent effects on Canadian television.

Chapter 4 reviews the development of cable and possible introduction of pay-TV in Canada and the extensiveness of their rise, and analyzes the implications to producers and content of film and programs and to the traditional delivery systems.

In Chapter 5 some of the more recent technical innovations in the recording of programs, their delivery systems and means of exhibiting them are detailed, together with their possible future impact on, and implications for, the Canadian broadcasting system. This chapter also attempts to draw together in one source fairly comprehensive information concerning the broad range of technical innovations and possible social consequences in a larger sense than just violent themes, since this type of information is generally lacking or difficult to assemble.

Conclusions and policy recommendations for reducing the degree of violence in film and television are presented in Chapter 6.

Chapter Two

Feature Film

A. Economic Factors in the Production of Feature Film

1. Market Size

Canada represents a relatively small market for film. Comparing domestic markets, the market for theatrical film in Canada is only approximately one tenth as large as the U.S. market. In 1974, American film rental billings in the U.S. market totalled \$ 545.9 million, compared to total theatrical rental billings in Canada of \$59.9 million (of which \$54.4 million was American billings). In 1975, worldwide theatrical rentals of American films totalled \$1.2 billion, of which \$63.2 million came from film rentals in Canada. On this basis Canada represents approximately 5 per cent of the total U.S. domestic and foreign market. However, for both 1974 and 1975, Canada was the top foreign market for U.S. films and the rentals for 1975 had increased 16 per cent from the record level established in 1974.

Given the relatively small market in Canada, it is highly unlikely that a feature film will recoup its costs, let alone earn a profit to finance future productions, if distribution is restricted to the Canadian market. On the basis of 355 U. S. feature films distributed in Canada in 1974 for a total of \$54.4 million, the average rental for a film of the Hollywood format and standard is approximately \$153,000, of which the producer may receive anywhere from 50 to 75 per cent depending on the producer/distributor arrangement. Given that the cost of Canadian films ranges from roughly \$100,000 (very few at this price) to over \$1 million and appears to average between \$500,000 and \$600,000,¹ it is almost impossible for a Canadian film to cover costs of production if distribution is limited to the domestic market, except in the case of an exceptionally successful film produced on a low budget. A \$700,000 gross-box office in the domestic market is respectable and it takes an exceptional film to do better.² Even a film such as *The Apprenticeship of Duddy Kravitz*, which earned approximately \$2 million in the domestic market and placed among the top 25 money-makers in Canada in 1975, could not cover costs of production from domestic box-office returns. In Table 2-1 an estimate is made of the returns to the producer for a number of the more successful Canadian films in recent years. As is

shown, only an exceptionally successful film will produce enough at the domestic box-office to cover costs of production, and only then if the film has been produced at a moderate cost.

It is estimated, on the basis of what appears to be the most common exhibitor/distributor and distributor/producer arrangements as explained in Table 2-1, that the ratio of gross box-office returns to costs of production must be approximately 6 to 1 to cover the costs of producing a film.³

It is obvious that the film industry in Canada, if it is to develop and be successful, must look to foreign markets. Producer Harry Gulkin (*Lies My Father Told Me*) correctly evaluated this situation when he stated:

In a country as small as Canada, film has to be regarded as an export commodity. You can't make your money back in the Canadian market alone on a picture with a normal budget of any kind. Consequently, films which reflect the inner life of our country in a way which interests only Canadians can't make their money back in the Canadian market, and this has been characteristic of many Canadian films.⁴

Consequently, with an eye on the large American market, successful Canadian producers have attempted to follow the Hollywood formula for films. If the successful formula for low-budget pictures (to which Canadian producers are for the most part restricted) is violence, sex, and horror, then economic realities dictate that Canadian producers follow this format.

2. The Film Industry's Assessment of Market Demand

The film industry is a commercial enterprise in which the entrepreneurs involved (producer, distributor, and exhibitor) expect a return, which depends on the marketability of the product and the size of the market. The ultimate key to success is the marketplace and the ability to assess public tastes and demands and produce a product that satisfies them. If the public is not interested in a film, or cannot be induced to view it, that film will fail commercially, regardless of its artistic or technical qualities.

In an annual edition, the trade paper *Variety* publishes a list of all films whose rentals have exceeded \$4 million. A survey of the more successful films in

Table 2-1

Statistics on Some Recent Canadian-made Films

Title	Approximate Cost of Production	Canadian Box-office Gross	Weeks in Distribution	Estimated Return to Producer ^a
	\$	\$		\$
<i>Lies My Father Told Me</i>	1,200,000	650,000	38	113,750
<i>My Pleasure Is My Business</i>	350,000	535,000	96	93,625
<i>Duddy Kravitz</i>	910,000	1,900,000	65	332,500
<i>Black Christmas</i>	650,000	1,600,000	53	280,000
<i>Shadow of the Hawk</i>	500,000 +	1,000,000	20	175,000
<i>Shivers</i>	200,000	800,000	35	140,000
<i>Death Weekend</i>	300,000- 600,000	550,000	52	96,250
<i>Recommendation for Mercy</i>	114,000	625,000	40	109,375

^a Assuming a 65-35 exhibitor/distributor arrangement and a 50-50 producer/distributor arrangement. Under such arrangements the ratio of box-office returns to returns to the producer would have to be approximately 5.7 to 1 to cover costs of production (excluding any taxes).

Source: Canadian Motion Picture Distributors Association, and *Variety*, Nov. 24, 1976, p. 32.

terms of rentals reveals a large variety of themes, which include spectacular events (biblical, military, disaster, et cetera), music, comedy, terror-suspense, sexuality, violence, romance, adventure, and the supernatural. Depending on a variety of factors, including the story, the script, the director, the actors, the artistic quality, and the time of release, it would appear that financially successful movies can be made on any of these themes.

Some themes have been more popular at times than others, as public tastes and preferences change (reflecting changing social conditions and values) or as a particular film breaks new ground in its presentation of a theme and finds instant appeal, to be followed by a succession of "copies" of this new format (i.e. the disaster films following *Airport* and *The Poseidon Adventure*, graphic violence as in *The Godfather*, sexual liberation as in *Deep Throat* and *Last Tango in Paris*, etc.), or sequels (*Airport*, and *Airport 75* and *Airport 77*). It would appear, however, that sequels of a movie are, as a general rule, not as successful as the first version and are frequently more expensive. Consider the following examples: *Godfather I* cost \$6 million and grossed \$86 million in rentals, while *Godfather II* cost \$15 million and grossed approximately \$29 million in rentals; *French Connection I* grossed \$27.5 million in rentals while *French Connection II* grossed only \$5.5 million; *Airport* grossed \$45.3 million in rentals, *Airport 75* grossed \$25.7 million; *Planet of the Apes* grossed \$15 million in rentals, *Escape From Planet of the Apes* grossed \$5.6 million. One notable exception was the James Bond series.

It would appear that, in the past several years, film themes of violence, sexuality, and terror/suspense have

appealed to movie-goers sufficiently enough and consistently enough for filmmakers to focus on these subjects. The trend in recent years has been the production of an increasing proportion of films rated for a restricted audience. Films that stand out as the most common type produced within the restricted rating category have been films depicting violence or sex, or films combining both subjects. Family-type adventure films, comedies, and children's pictures, rated for the most part as General Audience (G), form a relatively small group and have been on the decline in the last few years.

Table 2-2 illustrates the annual ratings of films by the Motion Picture Association of America (MPAA) for the period 1968 to 1975. The films of both the major and minor studios and the independent producers are included. From 1968-69 to 1974-75, the number of Restricted (R) and X-rated films increased from 19 per cent of all films rated to 52 per cent. For the same period, the proportion of films rated General (G) fell steadily from 32 per cent to 13 per cent. It is also interesting to note that the independent producers have always tended toward the sex/violence exploitive types of film which are frequently R or X-rated; their seven-year cumulative average is 57 per cent in the R-X categories as compared to 30 per cent by the majors. In addition, the proportion of films produced by independents has increased dramatically from 16 per cent in 1968-69 to 64 per cent in 1974-75.

The film classification and censor boards in Canada have also reported an increasing number of films rated similarly to the MPAA rating PG, R and X. Recently the *Bureau de Surveillance du Cinéma du Québec* reported

Table 2-2

MPAA Film Ratings:^a 1968-75

	G	PG		R	X	Total
1968			1968-9			
Majors-Minors	120 (32%)	154 (42%)		81 (22%)	16 (4%)	371 (84%)
Independents	21 (30%)	18 (26%)		22 (31%)	9 (13%)	70 (16%)
Total	141 (32%)	172 (39%)		103 (23%)	25 (6%)	441 (100%)
1969			1969-70			
Majors-Minors	59 (22%)	109 (40%)		91 (34%)	12 (4%)	271 (61%)
Independents	31 (18%)	46 (27%)		73 (42%)	22 (13%)	172 (39%)
Total	90 (20%)	155 (35%)		164 (37%)	34 (8%)	443 (100%)
1970			1970-71			
Majors-Minors	60 (25%)	105 (44%)		70 (30%)	3 (1%)	238 (46%)
Independents	41 (15%)	91 (33%)		100 (36%)	45 (16%)	277 (54%)
Total	101 (20%)	196 (28%)		170 (33%)	48 (9%)	515 (100%)
1971			1971-72			
Majors-Minors	74 (29%)	127 (50%)		51 (20%)	1 (1%)	253 (50%)
Independents	20 (8%)	104 (40%)		127 (50%)	5 (2%)	256 (50%)
Total	94 (19%)	231 (45%)		178 (35%)	6 (1%)	509 (100%)
1972			1972-73			
Majors-Minors	43 (18%)	112 (47%)		79 (33%)	3 (1%)	237 (43%)
Independents	42 (13%)	72 (23%)		182 (58%)	17 (5%)	313 (57%)
Total	85 (16%)	184 (33%)		261 (47%)	20 (4%)	550 (100%)
1973			1973-74			
Majors-Minors	36 (20%)	88 (50%)		55 (31%)	2 (1%)	181 (35%)
Independents	36 (11%)	97 (30%)		177 (54%)	17 (5%)	327 (65%)
Total	72 (14%)	185 (37%)		232 (46%)	9 (3%)	508 (100%)
1974			1974-75			
Majors-Minors	28 (19%)	67 (44%)		53 (35%)	3 (2%)	151 (36%)
Independents	28 (11%)	82 (30%)		147 (54%)	14 (5%)	271 (64%)
Total	56 (13%)	149 (35%)		200 (48%)	17 (4%)	422 (100%)
Seven-year Cumulative: 1968-75						
1975						
Majors-Minors	420 (25%)	762 (45%)		480 (28%)	36 (2%)	1698 (50%)
Independents	219 (13%)	510 (30%)		828 (49%)	129 (8%)	1686 (50%)
Total	639 (19%)	1,272 (37%)		1,308 (39%)	165 (5%)	3,384 (100%)

^aRating symbols are as follows: G—General Audiences, all ages admitted; PG—Parental guidance Suggested, some material may not be suitable for children; R—Restricted, a person under 17 years of age must be accompanied by an adult; X—no one under 17 admitted.

Source: *Variety*, November 5, 1975, p. 36.

that its rating of feature films "For All" declined from 50 per cent of all features shown in the province in 1972 to 35 per cent in 1976. Over the same period, features rated for "18 and over" increased from 27 per cent to 42 per cent. In Ontario, the Theatres Branch of the Ministry of Consumer and Commercial Relations has also reported an increasing tendency away from family-type entertainment films to adult entertainment and restricted films. This trend is illustrated in Table 2-3. Between 1970-71 and 1975-76 the proportion of restricted films increased from 19.0 per cent of the films received to 40.4 per cent.

Table 2-4 presents Ontario's classification of Canadian feature films. Between 1972-73 and 1975-76, fewer movies were made and also fewer restricted movies were made. It is interesting to note that a larger proportion of Canadian feature films were classified as adult entertainment and restricted, than all the other films received and classified by the Ontario Board of Censors during this period (Table 2-3).

Some producers have maintained that movie-goers today not only wish to be entertained but also seek to be emotionally moved, excited and even shocked. They attempt to provide people with entertainment in

theatres that people cannot find in television. And if violence and death, presented in lurid and graphic forms, sell tickets, then presumably this is what theatre audiences wish to see. Consequently, movie-makers have turned to more violence and more sex, combined them, and furthermore mixed them with content which

has been described as "gross, crude, vile, disgusting. . ."⁵ Charles Bresick, Vice-Chairman of the Manitoba Film Classification Board, in a recent letter to the editor of *The Globe and Mail*, reflected on this trend:

In the six years I have been on the Manitoba Film Classification Board we viewed 2,461 films. Of these no less than half

Table 2-3
Ontario Classification of Feature Films: Selected Years: 1970-71 to 1975-76

Classification	1970-71		1972-73		1974-75		1975-76	
	No.	%	No.	%	No.	%	No.	%
General Exhibition	270	37.1	195	27.9	165	20.0	168	20.0
Adult Entertainment (parental guidance advised)	233	32.0	280	40.0	321	39.0	326	38.8
Restricted (no one under the age of 18 admitted)	211	29.0	213	30.5	332	40.3	339	40.4
Not Approved	14	1.9	11	1.6	6	.7	7	.8
Total	728	100.0	699	100.0	824	100.0	840 ^a	100.0

^aDoes not include 12 pending classifications.

Source: Theatres Branch, Ministry of Consumer and Commercial Relations.

Table 2-4
Ontario Classification of Canadian Feature Films

Classification	1972-73		1974-75		1975-76	
	No.	%	No.	%	No.	%
General Exhibition	1	4.5	3	14.3	3	17.6
Adult Entertainment	8	36.4	8	38.1	7	41.2
Restricted	13	59.1	10	47.6	7	41.2
Total	22	100.0	21	100.0	17	100.0

Source: Theatres Branch, Ministry of Consumer and Commercial Relations.

were of the type that merit a Restricted classification. Among these we have seen a hundred times over every possible variety of nude simulated sex acts, including acts of sodomy and necrophilia. We have seen countless rape scenes portrayed in the most sadistic and vicious manner. We have seen a thousand times over people being tortured and killed in every possible way the mind of man can devise, including that of having heads jammed in toilet bowls. We have had to listen to the same stream of profanity and foul language in film after film. We have seen people spitting on other people; people vomiting over other people . . . current film makers in their obsession with scatology have shown men and women sitting on toilet seats and other lavatory scenes in no less than 400 movies . . . the high point was reached when they showed a young man in a high school class urinating out of the window on top of some girls playing in the school yard outside . . .⁶

Of course, not all producers have this assessment of the markets for film. It is interesting to note that at the time when more sex, violence, and what might be termed vulgarity were being introduced to the movies, the film *Love Story* went in the opposite direction. Howard Minsky, who put *Love Story* together, in describing his efforts explained how he "bought a property that was so bad, William Morris, the largest talent agency wouldn't handle [it]," and had writer Erich Segal "rewrite the script nine times," removing "the nudity, sex and four-letter words." He went on to say: "We showed it to every studio and producer in town. No one would touch it. They told me I was insane. But I knew we had an honest, old-fashioned love story, one that didn't need sex and violence."⁷ The success of *Love Story* is well known.

Walt Disney Productions has for the most part stayed with the production of family entertainment films. There is evidence that a few other small, independent producers have recently determined that a market does exist for family films, not in large cities, but in small and medium-size cities and small towns. For example, Doty-Dayton-Productions, a small Hollywood company, has turned out five movies in four years, all profitable, following the themes and formats of Disney movies. Producer Lyman Dayton maintains that "there is an audience out there that is getting tired of sex scenes and gutter language. There is a need for more family films."⁸ His films deal with pioneer-children stories and adventure stories with a moral theme designed to entertain rather than shock, generate fear, or excite. They contain no profanity or bloodshed, have been made on low-cost budgets but have attracted audiences and have been box office successes. For example, *Seven Alone*, a movie about orphans struggling to survive on the Oregon Trail, cost \$500,000 and reportedly grossed approximately \$12 million.⁹

3. The Film Production Budget

Many factors affect the costs of film production and result in either a low- or high-budget motion picture. Among these are the following:

a) *The Stars and Cast*. The more star performers in the picture, the greater the cost. For example, in the star-studded picture *The Towering Inferno*, Paul Newman and Steve McQueen reportedly each received \$1 million (plus a percentage of gross rentals).¹⁰ For their parts in *Missouri Breaks*, Marlon Brando received \$1.2 million and Jack Nicholson received \$1 million (and each was to receive 10 per cent of gross receipts in excess of \$10 million).¹¹

Given that the current average cost per feature film in the U.S. is approximately \$3 million, the payments to the two main actors in each of the above films almost equalled the budgets of the average film.

b) *Sets and Other Physical Properties*. Extensive or numerous set constructions can greatly add to film production costs. Pictures filmed on location can generally be made at lower cost than films shot on expensive sets. Set construction for a film such as *Jaws* is expensive. The ape in *King Kong* (1976) reportedly cost \$1.7 million to construct and required a team of 20 operators to animate. Similarly, the design and making of 25 different costumes for Diana Ross in *Mahogany* contributed much to the cost of that film.¹²

c) *Stories and Scripts*. The cost of stories on which films are based vary. The acquisition of the rights to a popular novel may be relatively costly. For example, the movie *The Towering Inferno* was adapted from two stories, namely: *The Glass Inferno* for which Twentieth Century Fox paid \$400,000, and *The Tower* for which Warner Bros. paid \$300,000. The two companies then combined their properties in a joint production of *The*

Towering Inferno.¹³ Scriptwriting, on the other hand, is not a major element in the cost of a motion picture. Obtaining good scripts, however, is frequently a problem. Good scriptwriters for certain themes, particularly comedy, appear scarce.

d) *Studio Overhead*. This is a cost that must be taken into account whether a producer has his own studio, as in the case of a major, or whether he leases the studio of a major production or distribution company, as is the case with independent producers. Overhead will involve the cost of facilities, sets, props, personnel, et cetera that the studio makes available.

Time is also an important element. Costs can generally be held down by shooting a film quickly.

The average feature film production budget is divided as follows:¹⁴

Item	% of Total Cost
Story costs	5
Production and direction costs	5
Sets and other physical properties	35
Stars and cast	20
Studio overhead	20
Income taxes	5
Net profit after taxes	10
	100

The average cost per feature film in the U.S. has steadily increased from approximately \$1,000,000 in 1949, to \$1,890,000 in 1972, to \$2,500,000 in 1974.¹⁵

4. Costs of Production, Revenues, and Film Content

It would appear that a reasonably homogeneous taste or preference for violence in films exists among a sufficient proportion of movie-goers to generate box-office receipts which, in relation to costs of production, are generally sufficient to prompt movie-makers to focus on this theme. In this section an attempt is made to analyze possible relationships between costs of producing films and the violence content in films.

a) Some Economic Principles of Production

Costs are a major factor in the production and supply of a good or service. If costs of production of a particular good are high relative to the price that good can command in the market, production will not be profitable and producers will turn, if possible, to substitute lower-cost goods in an attempt to meet the demand. In production, it is assumed that, given a budget, the objective of the producer is to maximize output subject to the budget constraint, or, if his goal is a given output, to minimize the costs of attaining that goal and in the process maximize his profits. In the case of film, the ultimate goal of filmmakers (the producer and financial investors) is to maximize the number of

viewers. If funding is limited, a movie-maker will attempt to use the funds to produce a movie which, in his assessment, has the greatest potential box-office draw. His choice of theme, story, script, performers, setting, et cetera should all be determined with the objective of making the most attractive or marketable film possible within the confines of his budget and consequently maximizing the viewer/cost ratio. A small budget will restrict the use of stars, certain scripts requiring expensive set constructions, many location moves, long time-consuming filming, et cetera, which may add greatly to costs of production, and this may restrict the movie-maker in his choice of themes and film format.

Larger budgets may permit the movie-maker greater flexibility in filmmaking. But a high-budget film must be capable of generating a sufficiently larger audience to yield a rate of return to movie-makers at least equal to that of a low-cost film. In other words, costs of production per thousand viewers of a high-cost film should be at least equal to the cost-per-thousand of a low-cost film. But large-budget films do not necessarily ensure large audiences. Many elements are involved in the success of a film, including the theme, the story, the script, the cast, the director, and perhaps most important of all, its release at the right time to catch the public's interest. (*Jaws* is an example of an exceptional combination of content and timing.) The history of Hollywood is filled with expensive and extravagant films which did not fulfil expectations at the box office (consider the example of *Cleopatra*).

There is a great deal of risk and uncertainty associated with filmmaking. No producer can be certain of the public appeal of his film and its box-office draw. Film spectacles, or various stories that require large budgets to be translated into film, involve large amounts of risk capital. The uncertainty involved may make it difficult to obtain the necessary finances. And even if obtainable it may be more attractive to consider the alternative – to produce several “lesser” films for the same total investment and consequently spread and reduce the risk factor.

b) Film Themes, Costs, and Revenues

There is a notable lack of good data on the film industry in both Canada and the United States, particularly on costs of producing films. *Variety* publishes revenues from film rentals (returns to the distributor) in the U.S. and Canada where rentals exceed \$1 million, in a year-end anniversary edition and on a weekly basis presents box-office revenues of the top 50 films of the week. These weekly figures, however, represent only a sample of theatres in the U.S. Estimates of the budgets of a particular film may appear occasionally in a variety of sources, particularly in serials and magazines relating to movies, and in daily newspapers and weekly magazines, but otherwise data on costs in the motion-picture industry are considered closely guarded secrets.

In Table 2-5 a list of a sample of recently released

motion pictures is presented.¹⁶ Costs of production are shown together with rental revenue (in the U.S. and Canada).¹⁷ In some cases rental data were not available, but reasonably reliable box-office figures were obtainable from which rental data could be estimated.

From the data in Table 2-5 it is difficult to draw any meaningful correlation between, or come to any conclusions about, the nature of film violence versus non-violence and the relevant cost and revenues. Films depicting violence can be produced at low or high cost as can non-violent films. Similarly, some films concentrating on violence may gross large amounts of revenue while others fare poorly, and this applies to non-violent films as well. Many variables have a bearing on the relationship between the theme of a film (violent or non-violent) and its costs and revenues, including such factors as the performers, the director, the script, the setting, and perhaps most important of all, the story itself.

As seen in Table 2-5, the cost and success of films of a violent nature vary. The more expensive films in the list include *Godfather, I and II*, *Missouri Breaks*, *The Odessa File*, and *Jaws*. *Godfather I*, a film of graphic violence, bloodletting, and death, but also characterized by excellent acting and a good script, cost \$6 million to produce and reaped rental revenues of \$86 million, while its sequel *Godfather II*, a much more expensive version at \$15 million, enjoyed considerably less success (\$29 million in rentals). *Jaws* cost \$8 million but yielded the highest box-office revenue and rentals in the history of feature film – a prime example of a movie with the right combination of elements for instant success.

Missouri Breaks, at a relatively high cost of \$8 million considering its content, showed little promise and, despite two star performers in Marlon Brando and Jack Nicholson, is not expected to recover costs. A vividly violent movie in which Brando devises different means to kill his adversaries, its story content is thin and disjointed. It is understandable that when the movie opened in May 1976 in every major city in the U.S. and Canada, the emphasis in promotion was on the two stars.

The Odessa File, a British-German production, at a cost of \$4,500,000, and *Doc Savage*, with a budget of \$3 million (up from the original budget of \$1.5 million), have shown little promise. On the other hand, *Mahogany*, “a reincarnated Fifties melodrama”¹⁸ about a poor shopgirl's rise to fame and fortune (starring Diana Ross), did reasonably well at the box office. Originally budgeted for \$ 2.5 million, and filmed in Chicago and Rome, changes in the script increased costs by \$1.25 million to a final total of approximately \$3.75 million.

Two average-budget films with considerable violent content, *Death Wish* (starring Charles Bronson) and *French Connection I* (starring Gene Hackman) were produced at a cost of \$2.7 million and \$2.4 million respectively. The former grossed \$8.8 million in film

Table 2-5

Selected Feature Films: Violent and Non-Violent: Production Costs and Revenues

Film Title	Date of Release	Cost of Production ^a	Revenues Film Rentals to Dec. 1976 ^b
Violent		\$	\$
<i>Death Race 2000</i>	April 1975	750,000	5,100,000
<i>Death Wish</i>	Aug. 1974	2,700,000	8,800,000
<i>Doc Savage, the Man of Bronze</i>	1975	3,000,000	<4,000,000
<i>French Connection I</i>	1971	2,400,000	27,500,000
<i>Godfather (Part I)</i>	1972	6,000,000	86,000,000
<i>Godfather (Part II)</i>	Dec. 1974	15,000,000	28,900,000
<i>Jaws</i>	June 1975	8,000,000	118,727,000
<i>Mahogany</i>	Oct. 1975	3,750,000	6,917,776
<i>Missouri Breaks</i>	May 1976	8,000,000	6,752,000
<i>Sudden Fury (Can.)</i>	Nov. 1975	115,000	(85,000—Canadian box office) ^d , (Nov. 1976)
<i>Sunday in the Country (Can.)</i>	Feb. 1975	600,000	(165,000—Canadian box office) ^d , (Nov. 1976)
<i>The Odessa File</i>	Oct. 1974	4,500,000	6,000,000
<i>The Return of the Pink Panther</i>	May 1975	2,000,000	19,400,000
Non-Violent		\$	\$
<i>Funny Lady</i>	Mar. 1975	8,500,000	19,000,000
<i>Lies My Father Told Me (Can.)</i>	Sept. 1975	1,200,000	3,200,000 ^c (Nov. 1976)
<i>Love Story</i>	1970	2,200,000	50,000,000
<i>Murder on the Orient Express</i>	Dec. 1974	4,600,000	18,669,210
<i>My Pleasure is My Business (Can.)</i>	Jan. 1975	350,000	3,200,000 ^c (Nov. 1976)
<i>Seven Alone</i>	1974	500,000	2,391,446
<i>Shampoo</i>	Feb. 1975	4,500,000	22,000,000
<i>The Strongest Man in the World</i>	Feb. 1975	3,000,000	6,600,000
<i>The Towering Inferno</i>	Jan. 1975	14,000,000	55,000,000

^aData obtained primarily from film production files in the library of the Academy of Motion Picture Arts and Science, Los Angeles, California.^bU.S. and Canada as at the end of 1976, unless indicated otherwise. Source: *Variety, Seventy-first Anniversary Edition*.^cRental data calculated from box-office gross. Terms of exhibition contracts vary, but a generally accepted film industry rule of thumb is that about 40 per cent of the box-office dollar goes to the distributor in rentals.^dRentals or box-office data from distribution in the U.S. were not available.

rentals while the latter proved exceptionally profitable at \$27.5 million. A very low-cost film, *Death Race 2000*, was one of the most violent in the list and yielded respectable returns. Produced at a cost of only \$750,000, it grossed \$5.1 million in rentals. *Return of the Pink Panther* combines humour and violence and at a cost of \$2 million was a highly successful film with rentals of \$19.4 million.

Sudden Fury and *Sunday in the Country* were two relatively inexpensive films made in Canada. Revenue figures from U.S. distribution are not available, but the films fared rather poorly at the Canadian box office.

The non-violent films listed in Table 2-5 likewise vary

considerably in cost and box-office revenues. *The Towering Inferno* was a very expensive movie at \$14 million. It was one of several relatively costly but successful epic disaster movies made in the last few years (along with *Earthquake* and *The Poseidon Adventure*). Such high-cost films are not common, as generally there is some hesitancy about risking such large sums in any one picture.¹⁹

Other above-average budget films in the list include *Funny Lady*, *Murder on the Orient Express*, and *Shampoo*. *Funny Lady*, a romantic musical comedy, was a relatively large undertaking at \$8.5 million but did not do nearly as well as *Shampoo*, a comedy combined with

sexuality. *Shampoo* grossed \$40 million at the box office in the first five months. Canadian first-runs grossed \$2.2 million at the box office.²⁰ The Disney production *The Strongest Man in the World*, a comic fantasy, was brought in at \$3 million but fared relatively poorly, with \$6.6 million in film rentals. On the other hand, *Love Story* (described in an earlier part of this chapter) was an exceptional success. Budgeted at \$2.2 million, it grossed \$50 million in rentals. *Seven Alone*, an adventure film, was produced at a very low cost of \$500,000 but proved profitable with rentals of \$2.4 million.

Two Canadian films, *Lies My Father Told Me* and *My Pleasure Is My Business*, made reasonable inroads into the American market and yielded respectable returns of \$8 million each at the box office. Both cost well below the average cost of U.S. films, with *Lies* budgeted at \$1.2 million and *My Pleasure Is My Business* with a very low budget of \$350,000. The latter was a sex-oriented film starring the well publicized Xaviera Hollander, which undoubtedly helped at the box office.

From this list of films, no set pattern emerges with respect to costs, revenues, and theme (violent versus non-violent). It would appear from such examples as *Death Wish*, *French Connection*, *Return of the Pink Panther*, *Death Race 2000*, *Love Story*, *Lies*, *Shampoo*, *Seven Alone*, and *My Pleasure Is My Business* that successful violent as well as non-violent films can be produced at average to less-than-average costs if they combine a reasonably good story with good acting and technical qualities and are well promoted. Stars such as Warren Beatty (*Shampoo*), Charles Bronson (*Death Wish*), Peter Sellers (*Pink Panther*), and Barbra Streisand (*Funny Lady*) do assist the popularity of the films, although stars are not a guarantee of success and do add to the cost of production. The matter of whether the film depicts violence or non-violence does not appear to be crucial to the success of the film.

Despite this, it is the opinion of many producers that exploitive films dealing with violence, terror, and sexuality are reasonably "safe" types of films – that is, they can be produced at low to moderate costs and have a degree of certainty at the box office. These films appear sufficiently different from the usual television fare of movies and entertainment that they attract people to cinemas and apparently producers believe that to attract cinema audiences, theatrical films must be different from television programming. If such films enjoy better-than-average appeal, they will produce substantial returns (take the example of *French Connection*), but if they fail to attract audiences, the losses are relatively small in comparison to high-cost films. It has been estimated that about one movie out of four will return a profit. In the words of movie director Sidney Lumet (*Murder On The Orient Express*), "I think it really works out to about one hit in four: one in four works out terrifically; one in four gets the money back; one in four loses a little; and one in four is a total disaster."²¹

It has also been suggested that cheap violence-and-sex films are not only more certain at the box office but they are easier to produce. Actors and script writers are more readily available, and locations for filming generally do not pose a problem and usually they also require fewer set constructions. The relative ease of producing such films is of course reflected in relatively low costs of production.

Given the uncertainty or risk factor in the film industry, the difficulties of securing substantial funds for a major picture, and the problems of obtaining interesting or popular stories devoid of violence or sexuality and comparing these to the almost limitless ways in which themes of violence or sexuality can be portrayed at relatively low cost, and considering the current belief that this is what audiences will go to theatres to see, it is understandable that producers, particularly the independents, opt for films on these themes.

B. Film Production in Canada

1. Size of the Industry

For the year 1974, Statistics Canada listed a total of 187 private firms engaged in the motion picture production industry in Canada, with gross revenue of approximately \$49.6 million²² (Table 2-6). A list of the kind of film produced during 1974 is presented in Table 2-7. Only 28 feature films were produced by Canadian film producers during that year. Elsewhere it has been shown that there were 901 new feature films distributed in Canada. Canadian-produced film consequently accounted for approximately 3 per cent of the new features shown in Canada.

Most of the production firms in the Canadian film industry are small and operate on low budgets; very few of the theatrical films they produce cost more than \$1 million. Investment funds for Canadian films are not very readily available and budget limitations therefore act as a major constraint for most producers and are a determining factor in the type of film produced. Budget limitations also apply to the promotion and distribution of films (unless the film is distributed by a major distributing company), as few Canadian producers are able to budget sufficient funds for adequate promotion.

Sources of funds for the production of Canadian films include private investors, banks, the Canadian Film Development Corporation (CFDC), the major distributors, the two major exhibitors²³ (Famous Players and Odeon), and foreign sources. For example, the production capital for *Lies My Father Told Me* was raised through private bank loans, grants from the CFDC, and a loan from Famous Players Ltd.²⁴ Another example, *The Uncanny*, a \$1 million Anglo-Canadian co-production, received \$200,000 financing from the CFDC, \$150,000 from Odeon Theatres Canada, and funds from Astral-Belevue-Pathé (a distributor), and other private sources, including funds from England.²⁵ A recent Canadian film, *Who Has Seen The Wind*,

Table 2-6*Motion Picture Production in Canada, 1963-1974*

Year	No. of Production Firms	Revenue (\$ million)		
		Production Revenue	Printing and Lab	Other
1963	69	7.8	3.9	.4
1964	71	7.9	4.4	.4
1965	74	8.6	4.5	1.1
1966	82	11.5	5.1	1.4
1967	93	14.5	7.5	.7
1968	95	16.1	9.9	.9
1969	89	15.3	10.2	1.4
1970	112	20.7	12.2	1.2
1971	—	—	—	—
1972	139	22.9	12.6	.9
1973	143	24.6	13.9	1.3
1974	187	30.0	18.0	1.6

Source: Statistics Canada, *Motion Picture Production, 1974* (Ottawa, 1976).**Table 2-7***Film Production in Canada, 1974*

Kind of film	Private Industry			Government	Total
	Quebec	Ontario (number)	Canada		
Theatrical motion picture production					
Sound feature	17	8	27	1	28
Sound short	5	2	7	24	31
Commercials	48	144	193	—	193
Other	9	2	11	1	12
Television motion picture production					
Entertainment	19	143	165	13	178
Information and documentary	192	161	396	44	440
Commercials	383	1,505	2,250	12	2,262
Other	3	54	97	43	140
Non-theatrical motion picture production					
Information and promotion	69	197	324	65	389
Tourism	8	5	20	5	25
Instruction and training	48	80	159	16	175
Other	5	52	61	6	67
Total production	806	2,353	3,710	230	3,940

Source: Statistics Canada, *Motion Picture Production, 1974* (Ottawa, 1976).

filmed in Saskatchewan at a cost of approximately \$1 million was financed with \$300,000 from the Province of Saskatchewan, \$300,000 from the CFDC, \$100,000 from Famous Players Ltd., and approximately \$200,000 from private investors.²⁶

2. Co-Productions

There has been a recent trend towards an increasing number of Canadian films produced under co-production agreements with foreign filmmakers, particularly American. Co-productions with U.S. producers or distributors provides an important source of financial backing. One of the more active film production companies in Canada – International Cinemedia Center – has had a co-production agreement with Columbia Pictures in the U.S. since 1975. The head of Cinemedia, John Kemeny, is convinced that it could be a model for other Canadian film-producing companies. He points out that such agreements bring money into Canada because of the agreement under which Columbia contributes to the financing of the joint projects.²⁷ Co-production with U.S. producers or distributors is also one way of breaking into the American market because of the distribution by the American counterpart.

American producers or distributors who enter into co-production agreements, however, appear to have little interest in Canadian themes or Canadian-originated projects or scripts.²⁸ It would appear that there is generally some pressure to have either an American director or star to give the film a Hollywood image. In this regard, Michael Spencer, executive director of the Canadian Film Development Corporation commented: "We're still struggling to get Canadian-originated projects in this area, still struggling to get work for our directors and script writers."²⁹ The Council of Canadian Filmmakers has also expressed serious concern about co-productions with Hollywood producers and distributors, fearing that these will eventually lead to the Canadian film industry becoming a subsidiary of the Hollywood majors, and drawing an analogy to the fate of the Canadian automobile industry.³⁰

Influencing pressures for the Hollywood image or presence in a film, of course, are not limited to co-productions with U.S. producers or distributors. Investors in film generally may insist on approval of – or at least try to exert some influence on the choices of – directors and actors or actresses in line with their assessment of box-office attractions as a condition of their investment. For example, Famous Players Ltd., in return for its \$100,000 support of *Who Has Seen The Wind*, wanted an international name to play a part in the film in an attempt to improve distribution and box-office attraction. Thus actor José Ferrer was given a part in the film.³¹

Co-productions in Canada, of course, are not only with the U.S. Canada has formal co-production agreements with Britain, France, and Italy. Some films

currently under production with producers or distributors of other countries include: *Black Fury* (with Italy), *The Disappearance*, (Britain); *Flight to Hell* (Britain); *The Evil Lives On* (France); and two \$1 million horror-genre Anglo-Canadian films, *Full Circle*, and *The Uncanny* (about cats that terrorize humans), both supported by the CFDC.³²

Some maintain that the recent trend towards co-productions has been stimulated by recent changes in tax legislation as it pertains to films made in Canada. Included in these changes was a provision permitting a 100 per cent write-off of investment in the film in the year in which it was made. This 100 per cent write-off provision applies only to qualifying Canadian feature films with specified Canadian content or to films produced under the terms of an official Canadian co-production agreement.

3. Role of the CFDC in the Canadian Film Industry

The Canadian Film Development Corporation was established in 1967 to foster and promote the feature film industry in Canada through a system of investments, loans, and awards. Up to 1976, the CFDC had invested over \$20 million in feature film production. It has been estimated that approximately 57 per cent could be regarded as a total "write-off" in terms of yielding monetary returns.³³

Since 1972 there appears to have been a more concerted effort on the part of the CFDC to financially support commercial films with greater potential for international distribution and consequently a greater potential for yielding a monetary return. The CFDC has been under pressure to produce better financial returns on its investments. Since the Canadian market alone cannot support a film industry, the CFDC has been forced to look to the international marketability of films. Films of cultural and artistic appeal will not achieve this nor will they lead to a financially viable film industry in Canada.

Three recent trends can be observed in the CFDC program of film support which is directed towards a more viable film industry in Canada. First, the CFDC has become more deeply involved in supporting Canadian producers who undertake potentially profitable co-productions with foreign producers. Examples are *Shadow of the Hawk*, co-produced with Columbia Pictures; and *The Uncanny*, and *Full Circle*, both Canadian-U.K. co-productions.

Secondly, the CFDC is tending to support more films of an exploitive nature with themes of violence and horror. The box-office figures on these films suggest that they are, on the whole, more readily marketable than other low-cost films. For instance, *Black Christmas* and *Death Weekend* (both budgeted within \$300,000 to \$500,000), two terror/suspense pictures, along with two other films (*Kamouraska* and *Duddy Kravitz*,) accounted for most of the CFDC's revenues of \$833,998 in 1975-76.³⁴ *Black Christmas* was distributed in Canada,

Table 2-8*CFDC-supported English Production Films, 1974-75 to 1976-77*

Budget Category	Film	Type (CFDC Classification)
	1974-75	
Under \$150,000 ^a	<i>The Mourning Suit</i>	Drama
	<i>Sudden Fury</i>	Suspense
	<i>Me</i>	Drama
	<i>The Supreme Kid</i>	Comedy
	<i>Sally Fieldgood</i>	Comedy
	<i>Million Dollar Hockey Puck</i>	Children's Film
	<i>125 Rooms of Comfort</i>	Drama
\$150,000-300,000	<i>Lions for Breakfast</i>	Children's Film
	<i>Shivers</i>	Horror
\$300,000-500,000	<i>Black Christmas</i>	Terror Suspense
	<i>The Far Shore</i>	Romance
Over \$500,000	<i>It Seemed Like a Good Idea at the Time</i>	Comedy
	1975-76	
Under \$150,000 ^a	<i>Love at First Sight</i>	Comedy
	<i>A Sweeter Song</i>	Comedy
	<i>The Keeper</i>	Parody
	<i>The Clown Murders</i>	Drama
	<i>Brethren</i>	Drama
\$150,000-300,000	<i>Recommendation For Mercy</i>	True Life Drama
\$300,000-500,000	<i>Partners</i>	Social Drama
	<i>Second Wind</i>	Drama
	<i>Death Weekend</i>	Suspense
Over \$500,000	<i>Breaking Point</i>	Action
	<i>Find the Lady</i>	Comedy
	1976-77	
Under \$150,000 ^a	<i>Skip Tracer</i>	Drama
Over \$500,000	<i>Goldenrod</i>	Drama
	<i>Rituals</i>	Suspense
	<i>Shadow of the Hawk</i>	Supernatural Drama
	<i>Summer Rain</i>	Romance
	<i>Who Has Seen the Wind</i>	Drama
	<i>Why Shoot the Teacher</i>	Drama
	<i>The Uncanny</i>	Suspense
	<i>Full Circle</i>	Psychological Suspense

^aFor films with budgets less than \$150,000 listed in this table, the CFDC provided 60 per cent of the budget. The normal terms for most other CFDC-supported films are for the CFDC to provide \$200,000 or 50 per cent of the budget, whichever is less.

Source: Canadian Film Development Corporation.

the U.S., Italy, Germany, South Africa, and the Far East. *Shivers*, a horror film, was also reasonably successful in the market. As shown in Table 2-8, of the eight major films supported by the CFDC in 1976-77, three are classified as suspense and one is classified as supernatural drama. No comedies or children's films appear on the 1976-77 list. It has been estimated that over half of the applications to the CFDC requesting support are exploitive in nature, primarily on the theme of violence. Undoubtedly, numerous producers in Canada, operating on low budgets, believe that within the confines of their finances, films of an exploitive nature have the greatest potential for yielding a return. And if the theme of violence or terror has proved reasonably successful for an individual producer, he is likely to stay with the theme at least until he has established a reputation as a successful producer. Once established, financing for his films may become more readily available and he may then give some thought to producing "better quality" films.

Thirdly, in an apparent realization that very low-budget films (less than \$300,000) receive insufficient distribution and lack sufficient box-office appeal to financially sustain the movie-maker, the CFDC also is aiding some more expensive pictures. As shown in Table 2-8, in 1974-75, of the 12 English production feature films supported by the CFDC, nine were under a \$300,000 budget and only one exceeded \$500,000. In 1976-77, only one film under \$500,000 received CFDC support, while eight films had budgets in excess of \$500,000. As shown elsewhere, the average cost of production of American films is approximately \$3 million. Canadian producers cannot hope to compete with American films or successfully break into the American market with \$150,000 movies. Even if a particular theme (like violence) is more readily marketable than others, viewers are unlikely to respond to a very poor quality film on the subject. Furthermore, the relative success of films such as *Lies My Father Told Me* and *The Apprenticeship of Duddy Kravitz*, both \$1 million films, would indicate that Canadian-made dramatic films of reasonable quality (as well as suspense/terror films) can find an international market.

Another recent development has been the CFDC's involvement in the promotion and distribution of Canadian feature films. For the 1975-76 fiscal year the CFDC obtained an additional \$1.2 million to be used for promotion and distribution.³⁵ This has been welcomed by the Canadian film industry. The lack of funds and expertise for promoting and distributing Canadian films domestically has hampered the development of the film industry and it is believed that through improved promotion and distribution, Canadian films could do considerably better at the box office both domestically and internationally.³⁶

C. Motion Picture Distributional Infrastructure in Canada

In the film industry the distributor is a vital link between the producer and the exhibitor. In 1974 there were 82 firms engaged in the distribution of films in Canada, working through 142 offices. During that year, 1,006 new films were distributed. Of these, 901 were new feature films consisting of 513 English, 378 French, and 115 films in other languages.³⁷ The country of origin of these films is as follows:

United States	355
France	152
Great Britain	67
Italy	57
Canada	32
Other	238
Total	901

Receipts from the rental of films amounted to \$87.2 million in 1974.³⁸ Theatrical rentals (share of cinema box office going to distributors) totalled \$59.9 million and represented 68.7 per cent of the total film rental receipts. Distributors' receipts from the rental of films to television amounted to \$20.9 million or 24.0 per cent of total receipts, while the remaining \$6.4 million or 7.3 per cent came from the rental of films for all other non-cinema use.³⁹

The bulk of cinema rentals accrue from American films. In both 1974 and 1975 Canada was the largest foreign market for American films. Cinema rental revenues for U.S. films in Canada totalled \$54.4 million in 1974 (out of a total of 59.9 million) and increased by 16 per cent in 1975 to \$63.2 million, an all-time peak.⁴⁰ Prior to 1974, Canada generally ranked third in Hollywood foreign markets. It has been estimated that of the rental receipts from U.S. films in Canada, approximately 50 per cent is retained in Canada and 50 per cent is returned to the U.S. as royalties for the use of the films.⁴¹

Film distributors in Canada can be grouped into two categories; the majors and the independents. The majors include two Canadian-owned companies and seven foreign-owned distribution companies which together account for approximately 90 per cent of all film rental receipts in Canada.⁴² In some cases there is an interrelationship between these firms. For example, Bellevue Film Distribution conducts most of the business of Twentieth Century Fox and Walt Disney through Bellevue's regional offices.

Most of the foreign-owned distribution firms are characterized by some form of vertical integration – that is, they are associated with a producing company either through a franchise or a parent company distribution agreement. These distribution firms are consequently engaged in distributing films acquired by the

parent company, which also tended to be a source of investment funds for the distribution firm.⁴³ They seldom participate in the distribution of films made in Canada. The major Canadian distributors also generally have distribution agreements with major production companies which provide them with sources of supply. In essence, vertical integration and distribution arrangements make the distributor the marketing agent of films rather than a simple liaison agent between producer and exhibitor. The distributor is the seller of the product and therefore has a vital interest in the quality of films since his revenues are determined by the success of the product.

Approximately 70 small Canadian independent distributors share 10 per cent of the distribution rentals. They are engaged in distributing Canadian films (including CFDC-sponsored films), but rely for the most part on foreign suppliers of films. Unlike the majors, they do not enjoy a guaranteed supply of theatrical films nor do they deal with high-cost feature films.

A variety of producer-distributor arrangements on theatrical films may be identified ranging from the outright purchase from the producer to sharing of rentals. These arrangements also establish the agreed percentage of payouts to the producer from all sources of revenue in addition to theatrical rentals, such as television rights, sequel and remake rights, commercial tie-ins, audio discs and music publishing, et cetera. Almost invariably the distributor demands editorial powers to use his sole discretion to cut, edit, or dub the original film in any manner he sees fit so that he need not be hampered in later dealings with censorship requirements or television standards.

With respect to the theatrical rentals, except in the rare case of a complete buy-out, the producer may enter into a "gross" deal or a "net" deal – the difference being whether the split is made before or after the distributor's expenses are deducted. These expenses may vary widely and are usually decided solely by the distributor. Included are the costs of making prints of the film, buying advertising, and the costs of preparing all the advertising and promotional materials, and checking the honesty of the box-office receipts. A typical "net" deal would assign 65 to 75 per cent of the balance after expenses to the producer. A "gross" deal would give the producer a much smaller percentage since expenses may well run 20 per cent or better of the total receipts. In this case the producer would probably demand some initial payment "up front" and expect earlier receipts. In either case, the entire management, promotion, and exploitation strategy of the film is usually in the hands of the distributor in perpetuity.⁴⁴ The wise producer has secured all "rights" and indemnities from his collaborators. In turn the wise distributor has secured all these from the producer. He, therefore, "owns" the film, rents it to theatres, and exploits all other possible sources of revenue.

Of the gross box-office revenue from a film shown in cinemas, the Canadian Motion Picture Distributors Association estimates that the distributor receives approximately 33 to 34 per cent. This share has been increasing in recent years as the distributor has been assuming greater responsibilities in promoting the film (i.e. through advertising). In general, the distributor has been spending approximately 15 per cent of his receipts (film rentals) in promotion. Columbia Pictures, in February 1976, calculated its box office sharing as follows:⁴⁵

Exhibition	62.5%
Production	12.5
Prints and Advertising	11.8
Distribution	7.1
Third-party Financing	6.0

The contractual arrangements between the distributor and the cinema owner (or cinema chain) vary even more widely than between producer and distributor. The spectrum extends from "four-wallling" which implies the distributor rents the cinema for a generous fee, pays for all the local promotion and takes the entire box office, to a complete "buy-out" which means that the distributor receives a flat fee from the cinema owner for use of the film for a certain period of time within a stated territory. The cinema owner pays for the promotion and collects all the receipts. Most deals are contracted on some sliding scale of percentages depending on the degree of success of the film. Initially, the cinema owner is paid the higher percentage, e.g. 60 per cent until he has removed his "nut" (fixed overhead costs). Subsequently, the distributor's share might rise to 70 per cent. Whether provided for or not in the contract, most deals are open to re-negotiation to protect the cinema owner from a disaster and maintain the distributor's good will. Many "block busters" like *Jaws* are distributed on a 90-10 basis, i.e. the distributor gets 90 per cent of the ticket receipts, but only after a fee for use of the cinema has been deducted. This type of marketing may include such features as exclusivity to a particular cinema, pre-release before general release, reserved seats, raised admission prices, and limited showings.⁴⁶

Block-booking of feature films, a policy which forced an exhibitor to take less attractive films in order to receive highly successful films as well, has been largely abandoned since the mid-sixties. In the U.S., it was general practice until 1947 when the studios were forced by law to divest themselves of their cinemas. This coincided with a decline in film production, which meant there was no longer a surplus to be marketed. However, it is still a factor in television booking where "packages" consisting of serials, feature films produced for television, and other feature films, either hits or

duds, are distributed to television networks and stations.

The cost of promotion of films through advertising and other publicity may well equal or exceed the actual cost of production. Distributing firms generally employ film promoters or marketing experts. The promotion of a film may begin in the very early stages of production in order to arouse public interest in the film prior to its release. This is frequently the practice in the U.S. and two recent, notable examples are *Jaws* and *King Kong* (the production of which was featured in an October 1976 issue of *Time* magazine prior to its release). On the other hand, marketing considerations may be left to the end, as is the case with most Canadian productions. In Canada, frequently both distributors and exhibitors contribute to the advertising of newly released films on a cooperative basis – the amount dependent on their assessment of the promotional qualities of the film and its expected gross. Frequently the cinema-owner decides which media should be used in his locality.

Two types of release methods for film may be employed: the standard release method and the showcase method. The former is generally applied to films with good potential which have been publicized prior to release and are sure to be hits with little further publicity or low-key publicity (*The Godfather* is a prime example). Such a film is released in only one prime-location, first-run cinema in key movie centres such as New York, Chicago, and Los Angeles. In Canada, a new English-language product is tried out in Toronto, a French-language product in Montreal.

The showcase method is applied to a high-budget, frequently star-studded film whose potential is questionable. It is preceded with a barrage of publicity and hard-sell marketing techniques and shown in a large number of cinemas and cities at the same time, with the intent of attracting as large an audience as possible over a very short period. The objective is to recoup most of the production costs in a short period before adverse publicity sets in (*Missouri Breaks* could fit into this category).

While newspapers have been generally used as the major medium of advertising, both radio and television may be extensively used depending on the particular marketing strategy determined for the film.⁴⁷ With the rise of smaller and multiple cinemas, and the simultaneous release in many cinemas within a broadcast coverage pattern, television has been assuming a greater role, particularly with respect to the more violent and sensational films which lend themselves to brief synopses dealing with these aspects. From time to time, serious questions have been raised about the style or explicitness of the advertising associated with some films. Newspaper ads have been refused or censored on occasion. Television commercials for Restricted and Adult films, which may closely suggest or reflect the content of the film, are run indiscriminately throughout the broadcast day. Regardless of which fraction of the

public may wish to pay to see these films, anyone watching television may be involuntarily exposed to the promotional activities.

There does not appear to be a particular rule concerning the amounts spent to promote a film and its initial cost. Some of the largest campaigns have been mounted for low-budget films, e.g. *Billy Jack*, and frequently for those of little sustaining merit. One of the problems that Canadian producers who are outside the major distribution/exhibition system face is the difficulty of funding promotional campaigns in the mass media. Their restricted budgets leave little if anything beyond production costs. This problem is overcome to some extent if backing is received from a Canadian or American major distribution company, but the price usually conforms to the company's requirements.

D. Motion Picture Theatres in Canada

1. Some Trends

During 1974 there were 1,423 cinemas in Canada of which 1,116 were regular cinemas⁴⁸ (a decrease of 19 from 1973) and 307 were drive-ins. Total receipts were \$172.7 million, of which \$149.7 million or 86.6 per cent accrued to regular cinemas and \$22.9 million or 13.2 per cent went to drive-ins. Of the total number of paid admissions of 90.4 million, regular cinemas and drive-ins accounted for 79.0 million and 11.4 million respectively (Table 2-9).

Table 2-10 shows the composition of total receipts by source for regular cinemas in Canada in 1974. Receipts from admissions represented 84.6 per cent of the total, while the sale of candy, soft drinks, cigarettes, et cetera accounted for 15.3 per cent of the total receipts.

Table 2-11 shows the principle statistics for cinemas in Ontario for selected cities in 1974. There were 285 establishments, with a seating capacity of 205.8 million, of which the average capacity utilized was 16 per cent, the same as for Canada as a whole. The high-capacity utilization in Ottawa probably reflects in part the relatively small capacity per capita and the demographics of the movie audience (for example, the

Table 2-9

Motion Picture Exhibition in Canada, 1974

Item	Total all Theatres	Regular Theatres	Drive-in Theatres
Theatres	1,423	1,116	307
Receipts from admissions (\$000)	172,683	149,720	22,963
Amusement taxes (\$000)	12,784	11,184	1,600
Number of paid admissions (\$000)	90,392	79,020	11,372

Source: Statistics Canada, *Motion Picture Theatres and Film Distributors, 1974* (Ottawa, 1976).

Table 2-10*Receipts of Motion Picture Theatres by Source, 1974 Canada*

Source of Receipts	\$ (000)	%
Admissions (excl. taxes)	149,720	78.7
Amusement taxes	11,184	5.9
Sale of candy, drinks, cigarettes, etc.	27,259	14.3
Rental revenue from concessions and vending machines	270	.1
Revenue from showing commercial films	62	—
Other revenue	1,764	.9
Total	190,259	100.0

Source: Statistics Canada, *Motion Picture Theatres and Film Distributors, 1974* (Ottawa, 1976)

higher the income level, and the higher the educational level, the greater the incidence of movie attendance).

Table 2-12 highlights some of the trends relating to cinemas in Canada over the period 1948-1974. The data show a considerable decline in the number of regular cinemas and in the number of paid admissions since the early 1950s. The number of establishments has decreased from a high of 1,950 in 1955 to 1,116 in 1974, while the number of paid admissions dropped from a high of 247.7 million in 1952 to a low of 77.4 million in 1973 (reflecting the influence of television and probably the increased variety of choices for allocating leisure time), then rose to 79.0 million in 1974. This is a sub-

stantial market loss, particularly in light of the population growth over the same period. Receipts from admissions fell from 1953 (\$100.9 million) to 1962 (\$60.9 million), when attendance fell dramatically, and then gradually increased to stand at \$149.7 million in 1974, reflecting increasing admission charges and obviously a relatively low price-elasticity of demand. A comparison with drive-in cinemas for the same period shows that the number of these increased steadily from 15 in 1948 to 242 in 1955, remained relatively stable to 1967, and then started to increase again to stand at 307 in 1974. Paid admissions at drive-ins fluctuated between 9 million and 12 million between 1955 and 1974 and stood at 11.4 million in 1974.⁴⁹

Cinemas have attempted to meet the problems of diminishing audiences and large unused capacity by introducing multi-screen auditoriums. Large cinemas were divided into two or more smaller auditoriums, enabling owners to reduce the average cost per screen by more efficient use of staff. In addition, exhibitors could extend film engagements by transferring a film from a large auditorium after a few weeks to a smaller auditorium in response to the decreasing audience.

As explained elsewhere in this study, the sharing arrangements of the gross box office between exhibitor and distributor vary. Generally, the exhibitor's share tends to be smaller for a movie with a reputation or potential for drawing audiences but, when a movie does draw well, the result is usually a reasonably good profit. Cinema owners claim, however, that very big draws are few and far between; there has been a lack of good movies in recent years.⁵⁰ In 1975 such exceptional box office draws as *Jaws*, *Earthquake*, *Towering Inferno*, and *Shampoo* helped bring the earnings of Famous Players Canada Ltd. up over 54 per cent of 1974 earnings.⁵¹

Table 2-11*Data on Motion Picture Theatres in Ontario, 1974*

	Establishments	Seating Capacity (000)	Receipts from Admissions (\$ millions)	No. of Paid Admissions (millions)	Average Capacity Utilized %
Ontario	285	205.8	56.1	29.1	16
Toronto	67	57.1	19.7	8.8	15
Hamilton	14	10.9	3.4	1.7	17
Ottawa	11	9.2	4.6	2.3	23
London	8	6.3	2.3	1.1	14
Windsor	7	7.0	1.9	.9	10
Oshawa	5	4.0	1.1	.6	18
Sault Ste. Marie	5	3.1	.6	.4	13
Other places	168	108.2	22.5	13.3	16

Source: Statistics Canada, *Motion Picture Theatres and Film Distributors, 1974* (Ottawa, 1976).

Table 2-12

Historical Statistics of Motion Picture Theatres^a
1948-1974

Year	Establishments	Receipts from Admissions (excl. taxes) \$ million	Paid Admissions million
1948	1,604	68.7	219.3
1949	1,731	77.4	229.3
1950	1,801	82.7	231.7
1951	1,808	91.0	239.1
1952	1,843	98.9	247.7
1953	1,906	100.9	241.2
1954	1,938	97.0	218.5
1955	1,950	86.3	185.0
1956	1,849	80.7	162.9
1957	1,716	76.4	146.8
1958	1,622	75.1	136.3
1959	1,515	68.3	118.6
1960	1,427	65.5	107.7
1961	1,341	62.2	97.9
1962	1,278	60.9	91.3
1963	1,245	63.8	88.0
1964	1,209	69.3	90.9
1965	1,171	75.4	89.1
1966	1,149	83.0	87.7
1967	1,156	90.8	85.5
1968	1,148	99.0	84.9
1969	1,157	102.3	78.9
1970	1,156	111.7	80.8
1971	—	—	—
1972	1,128	122.5	81.2
1973	1,135	129.9	77.4
1974	1,116	149.7	79.0

^aExcluding drive-in theatres.

Source: Statistics Canada, *Motion Picture Theatres and Film Distributors*, 1974 (Ottawa, 1976).

2. Major Exhibitors

There are two major cinema chains in Canada and they are subsidiaries of foreign companies. These are

Famous Players Ltd., of which 51.5 per cent is owned by the U.S. conglomerate Gulf and Western, and Odeon Theatres (Canada) Ltd. which is 100 per cent owned by the Rank Organization of England. Together these chains controlled 63 per cent of the gross earnings of the Canadian theatrical film market in 1973. In Ontario these two companies controlled 62.3 per cent of Ontario's cinemas (increased from 44 per cent in 1963), including the most profitable. The most profitable cinemas are generally located in the larger urban centres. In 1974, Famous Players and Odeon controlled approximately 78 per cent of the auditorium cinemas located in urban centres with populations in excess of 35,000.⁵²

The major distributors listed earlier frequently tend to align themselves with either one or both of these chains. For example, Famous Players currently takes 100 per cent of the films distributed by Paramount, Warner Brothers, and United Artists, one-third of Universal and two-thirds of Twentieth Century Fox.⁵³ Since these distributors are either U.S. subsidiaries or U.S. distributors operating through a Canadian distributor, the source of supply of films for Famous Players is primarily the U.S. Apparently a similar situation exists with Odeon. It has been argued that the films of Canadian producers, who are for the most part independent of this distribution/exhibition system, do not enjoy the same treatment as foreign films which are part of the system. Some producers have charged that Canadian-made films are discriminated against by the two major exhibition chains. At the same time, small independent exhibitors have charged that the major distributors in Canada have refused to rent to them good quality first-run films because of their alignment with Famous Players or Odeon.⁵⁴ The counter-argument is that distributors and exhibitors will seek Canadian films in the same way they do foreign films if they believe that they have box-office potential. This position has been verified by some of the more successful Canadian producers who have indicated that they have encountered no difficulty in having their films exhibited in Canadian theatres.⁵⁵

Both Famous Players and Odeon have come to an agreement with the Secretary of State on a system of voluntary exhibition quotas for Canadian films. The initial agreement in 1973 was for these chains to provide a minimum of two weeks screening time for each major English-language feature film in Canada's three largest cities of Toronto, Montreal, and Vancouver. Between August 1973 and March 1975, Famous Players showed 11 Canadian films for a total running time of 928 weeks, while Odeon ran nine films for a total of 87 weeks.⁵⁶ Under the terms of the more recent arrangement, Famous Players and Odeon agreed to exhibit Canadian feature films for four weeks a year in every cinema which they own or control.⁵⁷ Smaller chains are not included in the agreement.

Some exhibitors in Canada are engaged in funding part of the production costs of Canadian films. From 1970 to January 1976, Famous Players and its subsidiaries invested a total of \$ 2,826,000 in films made in Canada. Of this total, \$1,520,509 was invested in French-language productions and \$1,305,491 in English-language productions. As of January 1976, Famous Players realized a return or income on this investment of \$554,000.⁵⁸ Among the English-language productions, the amount ranged from a low of \$15,000 to a high of \$107,000. The average amount per film was approximately \$50,000 for films which cost an average of \$500,000.

Table 2-13

United States

Age of Motion Picture Audiences, 1976

Age	Percent of Total Yearly Admissions	Percent of Population
12-15 years	14	10
16-20 years	31	12
21-24 years	15	9
25-29 years	16	10
30-39 years	13	15
40-49 years	5	13
50-59 years	3	13
60 and over	3	18
	100	100
12-17 years	20	15
18 and over	80	85

Source: Opinion Research Corporation, *Incidence of Motion Picture Attendance*, Study for the Motion Picture Association of America, 1976.

E. Demographics of Motion Picture Audiences

1. United States

Tables 2-13 to 2-16 reveal some highlights of the latest U.S. demographic study on movie audiences undertaken by the Motion Picture Association of America (MPAA). Among the highlights are the following:⁵⁹

a) The teenage (12-17) share of total admissions is 20 per cent, reflecting a continuing drop from a share which long stood at 25 per cent or more. (In 1973 the teenage share was 26 per cent.)

b) The age group 12-29 accounted for 76 per cent of total admissions (but only 41 per cent of the population), while the age group 12-39 accounted for 89 per cent of admissions (and 56 per cent of the population). The group 40 years and over shared 11 per cent of total admissions (and 44 per cent of the population).

Table 2-14

United States

Frequency of Motion Picture Attendance by Education, 1976

	Age 18 and over		
	Some College (%)	High School Complete (%)	Less Than High School (%)
Frequent (once a month)	29	25	12
Occasional (once in 2 to 6 months)	32	28	11
Infrequent	15	16	14
Never	24	32	64

Source: Opinion Research Corporation.

Table 2-15

United States

Frequency of Movie Attendance by Family Income

Family Income	Frequent or Occasional Attendees in Total Public
\$15,000 and over	64
\$7,000-\$14,999	49
Under \$7,000	29

Source: Opinion Research Corporation.

Table 2-16

United States

Frequency of Movie Attendance by Sex, 1976

	Age 12 and Over	
Attendance	Male (%)	Female (%)
Frequent	28	22
Occasional	24	23
	52	45

Source: Opinion Research Corporation.

c) There is a correlation between education and film attendance (Table 2-14). The more education, the more film-going. Among those with some college education, 61 per cent were frequent or occasional film-goers, while

only 23 per cent of those with less than high school education were frequent or occasional film-goers.

d) The higher the family income, the more frequent the film-going (Table 2-15).

e) Slightly more males age 12 and over attend films frequently than females (Table 2-16).

f) The total number of movie-goers went up slightly

from 107.3 million to 109.0 million from 1975 to 1976. Since 1969 movie-goers increased by 15 per cent.

2. Canada

Some of the characteristics of the movie audience in Canada are illustrated in Tables 2-17, 2-18 and 2-19.⁶⁰ The most prominent characteristics illustrated include the following:

Table 2-17

Distribution of Movie Audience and Frequency of Attendance by Age Group
(January, February, March 1972)

Canada

Age	% of age group attending movies	Distribution of movie attendance Age groups as % of total population 14 years of age and over attending movies				Frequency of movie attendance % of age group		
		Occasional	Regular	Frequent	Total	Occasional	Regular	Frequent
14-19	59	22	30	40	29	27	43	30
20-24	60	12	18	26	18	25	43	32
25-34	43	23	23	19	22	38	43	19
35-44	31	19	14	8	14	47	40	12
45-64	20	21	14	7	15	52	38	11
65+	7	3	2	1	2	53	38	9
Total	35	100	100	100	100	36	42	22

Source: Secretary of State, *A Leisure Study — Canada 1972* (Ottawa, 1973)

Table 2-18

Distribution of Movie Audience and Frequency of Attendance by Education

Canada

Education	% of educ. group attending movies	Distribution of movie attendance Educ. group as % of total population				Frequency of movie attendance % of educ. group		
		Occasional	Regular	Frequent	Total	Occasional	Regular	Frequent
Under grade 9	16	18	12	12	14	45	36	19
Secondary not complete	40	41	40	42	41	36	41	23
Secondary complete	46	20	22	21	21	34	44	22
Some post-secondary	52	15	17	17	16	33	44	24
University completed	57	7	9	8	8	32	47	21
Total	35	100	100	100	100	36	42	22

Source: Secretary of State, *A Leisure Study — Canada 1972* (Ottawa, 1973)

Table 2-19

Distribution of Movie Audience and Frequency of Attendance by Occupation

Canada

Occupation	% of occup. group attending movies	Distribution of movie attendance				Frequency of movie attendance		
		Occup. groups as % of total population				% of occup. group		
		Occasional	Regular	Frequent	Total	Occasional	Regular	Frequent
Unemployed	39	1	2	2	2	29	45	26
Managerial	38	6	5	4	5	41	41	17
Professional	54	9	11	10	10	33	45	23
White collar	44	19	22	23	21	32	44	24
Blue collar & craftsmen	34	19	16	19	18	38	38	24
Resource ind. workers	23	3	3	3	3	41	39	20
Housewives	25	23	17	9	17	48	40	12
Students & others	38	20	26	30	24	30	42	28
Total	35	100	100	100	100	36	42	22

Source: Secretary of State, *A Leisure Study — Canada 1972* (Ottawa, 1973)

a) Approximately 35 per cent of the population attended at least one movie during the months of January, February and March 1972. Of these, approximately 36 per cent attended occasionally, 42 per cent attended regularly, and 22 per cent attended frequently (Table 2-17).

b) The teenage (14-19) group comprised 29 per cent of total number of movie-goers. The age group 14-34 accounted for 69 per cent of the audience while the group 14-44 accounted for 83 per cent of the audience (Table 2-17).

c) The teenage group was shown to comprise 40 per cent of those who attended movies frequently, yet only 30 per cent of the teenage group reported that they attended frequently. The majority of movie-goers over 44 years of age only attended occasionally.

d) The higher the education, the more film-going. Fifty-seven per cent of those with a university degree attended movies while only 16 per cent without any secondary education attended. In addition, about two-thirds of those with at least some secondary education who went to movies attended either regularly or frequently. Of those who attended movies, the largest group was the one possessing some secondary education (41 per cent), and of those who attended frequently, this group accounted for the largest proportion (42 per cent) (Table 2-18).

e) In terms of the occupations of those attending movies, students formed the largest group (24 per cent), followed by white-collar workers (21 per cent), blue-collar workers and craftsmen (18 per cent), and housewives (17 per cent). Professional people accounted for only 10 per cent of movie-goers, yet 54 per cent of this group attended movies compared to 38 per cent for students. Twenty-eight per cent of students attended frequently, followed closely by the unemployed (26 per cent). The frequency of attendance of housewives was the lowest (12 per cent) of all occupations. Almost half of this group attended only occasionally.

F. Summary

Violence, and violence combined with sexuality and profanity, has become increasingly common in feature films in the past several years as is evidenced by the trend in film ratings. Theatrical feature film is in competition with television and to encourage cinema attendance, movie-makers believe that they must offer something different than that shown on television. There is a belief that films must play to the emotions, arouse excitement, generate fear, and shock audiences. Movies are not directed to the elderly, who form only a small proportion of the movie audience, as film audience demographics reveal, but to the younger generations who are more likely to respond favourably to the sensationalism that these films attempt to

generate. Consequently, graphic violence, gruesome physical conflict and death, sexuality, profanity, et cetera, which are treated with caution and reservations on television, are extensively and intensively exploited in theatrical film. The only restraining forces are film censor boards and the obscenity provisions of the Criminal Code.

Comedies, family-type action/adventure, drama, and traditional romance themes can still be found in feature films but are declining. These themes are standard fare on television and appear to be less versatile for the purposes of differentiation than theatrical movie-makers seek. It appears that more can be done with themes of violence to attract and hold audience attention or interest. There is a feeling among movie-makers that the violence film, though not necessarily less expensive, is a relatively "safer" one for low-budget productions and is also easier to produce.

Action/adventure and romance films require a good story; comedies generally require good scripts and good acting; drama generally involves character involvement and development, and emotional and intellectual conflict. Violence, or physical conflict, on the other hand, may be portrayed in a variety of ways, without star performers, and frequently even with weak scripts or stories – a thin thread of continuity to hold violent episodes or scenes together may suffice.

There is no simple, consistent relationship between film themes, costs of production and box office receipts. There are too many variables involved in these relationships to permit a meaningful isolation and analysis of them. Films depicting violence have generally done reasonably well at the box-office and these include both high-budget and low-budget films. If movie-makers believe that violence is what people wish to see and production of such films is on the whole profitable, then they will produce them. Market forces and the profit motive will prevail. And until public tastes change and are reflected in significant audience reductions, or movie-makers perceive tastes to be changing, it is unlikely that there will be any significant change in the direction that film themes have taken in recent years.

The Canadian film industry is very small as is the Canadian film market. It is highly unlikely that the industry, if confined to the domestic market, can develop to produce major feature films and do so profitably. Most Canadian films are low-budget, averaging less than \$1 million in comparison to the U.S. average of \$3 million. These films must compete with U.S. films both domestically and internationally. Canada and the U.S. are practically a common market for U.S. films. Audience demographics and tastes appear to be similar. U.S. producers and distributors have established subsidiaries in Canada for the distribution and exhibition of films. The major distributors and exhibitors in this country are foreign owned and controlled and they are assured of a ready source of supply of films. While there is a continuous flow of films

from the U.S. to Canada, the flow of Canadian films to the U.S. in comparison is almost non-existent, partly from the lack of many Canadian-produced films and partly due to distribution difficulties. To break into the U.S. market as well as compete with U.S. films domestically, Canadian producers have found it necessary to follow the Hollywood format using themes which Canadian and U.S. audiences are accustomed to and appear to prefer. And this has included themes of violence, horror, and sexuality, and restricted-audience films.

Television

A. Network Programming and Program Production in the United States

1. *Economic Factors in Network Programming*

The objective of television networks and stations is not to produce programs but to produce audiences. These are sold to advertisers who seek mass audiences. The advertiser, however, is interested in more than just the size of the audience; he is also interested in the demographics of the audience (age, sex, income, et cetera). The objective is to reach and maximize that segment of the audience which may have an interest in his product or in which an interest may be stimulated.

In seeking audiences, the television networks are in keen competition with one another. The television industry, with its relatively few networks, can be classified as an oligopoly – an industry in which there are only a few large producers, producing similar or substitutive products. The close substitutability of the products results in very intensive competition and rivalry among producers. Frequently, actions of one producer will result in reactions and adjustments by others in battle to retain their relative competitive positions. In oligopoly, the total demand or market is relatively constant and if the sales of one oligopolist increases, the sales of his competitors can be expected to decrease. The producers are furthermore aware that any action taken by one will bring reactions by competitors. If producer A markets a new, differentiated product and it is successful in the market, producers B and C will imitate A by producing similar products or close substitutes in an attempt to maintain their shares of the market. Producer A, therefore, may find that the increase in his share is only temporary. In addition to fear of retaliation, the uncertainty of consumer response to a highly different product is also a factor in an oligopolistic industry. Large increases in inputs (costs) to vastly change the character or quality of the product are generally avoided because of the uncertainty of market response, together with the fear of retaliation by competitors if market response is favourable.

Television networks or stations operate under a cost constraint since there is generally a fixed level of aggregate advertising revenue (for which television must

compete with other communications media). It is generally assumed that the long-run objective is to maximize profits—that is, the difference between advertising revenue and cost. Obviously, the larger the audience that a television program can attract, the more revenue it can generate from advertisers. The television station will therefore attempt to obtain the maximum audience for any given cost. Television networks have a general knowledge of the size of the potential audience during the various viewing periods of the day and engage in rating their own and their rivals' program audiences. In its programming, a network or station will offer that type of program which will attract the largest audience, given the cost constraint. Consequently certain types of programs are presented in certain time periods, and certain types are presented frequently (i.e. light entertainment) while others (i.e. ballet and opera) are rarely shown. A network or station will offer a similar type of program to other networks if it is shown that its share of the audience is larger with this type of program than it would be if a different type of program, with approximately the same cost, were chosen.

Successful programs will be imitated by rival networks and furthermore, each network itself will produce duplicates or "spin-offs" of a successful program type. The result is very little diversity. Furthermore, a network will generally avoid large increases in costs to try to improve quality, or radical seasonal changes, in attempts to increase its share of the audience, first, because of the uncertainty of audience response, and secondly because any large increase in the share of one will likely only be temporary as rivals will make corresponding adjustments. Large increases in costs by all networks may increase the total audience in a given time period, but the increase in the share of each network may be small relative to the cost increase and therefore uneconomical. There are more likely to be small marginal input increases or seasonal changes in program content by each network as each tries to keep even with its competitors or tries to keep slightly ahead.¹

In summary, the oligopolistic nature of the television industry leads to:

- a) lack of diversity in programming in a particular time period (i.e. a few program types dominate prime time);
- b) homogeneity in program scheduling (i.e. the content of the schedule of one network is not markedly different from that of another);
- c) relative stability in programming from one season to the next.

In the following sections each of these oligopolistic tendencies are examined in greater detail, with particular reference to the violence content in television programs.

2. Classification of Network Prime-Time Programs

For purposes of analysis, prime-time television programs have been grouped into eight categories. These are:

- a) Police/detective. This category includes all police and detective series. It is characterized by conflict leading to violence and death, and is considered to have the most violent content of all categories (i.e. *Kojak*, *Baretta*).
- b) Situation comedy. The emphasis is on the characters in the program and the situations in which they find themselves (i.e. *All in the Family*).
- c) Action/Adventure. This category includes family action/adventure type programs (*The Waltons*, *Little House on the Prairie*), as well as fast-paced physical action, excitement, and conflict, some of it violent (the *Bionic* series, *Spencer's Pilots*, et cetera).
- d) Drama. In this category the stress is on non-violent conflict of an intellectual or emotional rather than physical nature (i.e. the medical drama *Marcus Welby*).
- e) Movie. Includes movies made for television and theatrical film features, and may be violent or non-violent.
- f) Variety. Included in this group are musical/comedy varieties (i.e. *Sonny and Cher*, *Carol Burnett Show*).
- g) Sports.
- h) Other. This category consists primarily of documentary/ public affairs programs and special event programs (i.e. *60 Minutes*, *The Big Event*).

Of these categories of television programs, the police/detective and some of the movies could be considered to contain the greatest amount of violent content in the explicit or graphic sense. The violence that may appear on the action/adventure programs is generally more muted with very few explicit scenes of shooting or killing (except for a program such as *The Quest* which was recently rated as among the most violent of all programs). It is extremely difficult to compare programs for their violent content as violent scenes must be taken within the context of the nature of the program. Certainly the old cowboy-westerns were frequently filled with shooting and fist-fighting. But the shooting was long-range with little or no evidence of blood-

letting or contorted expressions. To measure or compare violence by simply tabulating the number of gunshots, knifings, fist-fights, automobile hit-and-run scenes, or other acts of a similar nature, may not be very meaningful. On such a basis the *Bugs Bunny/Roadrunner Hour*, shown for children on Saturday morning, could probably be considered the most violent hour on television, with the poor coyote in the *Roadrunner* at the receiving end of countless methods of potential demise. Similarly, the antics of the *Three Stooges* or *Laurel and Hardy* cannot be compared with some of the scenes found in Charles Bronson movies, or the seemingly mindless, eccentric acts of violence in such movies as *Missouri Breaks* and *The Texas Chain Saw Massacre*.

Some studies have attempted to build violence indexes to measure and compare degrees of violence among programs, but the usefulness of such indices remains questionable. Attempts have also been made to rank programs in terms of degrees of violence. Recently the National Citizens Committee for Broadcasting in the U.S. ranked the ten most violent and the ten least violent programs for the six-week period ending July 23, 1976, with the following results:²

Most Violent

1. *S.W.A.T.*
2. *The Rookies*
3. *Sara*
4. *Sunday Movie*
5. *Friday Movie*
6. *Rockford Files*
7. *Starsky and Hutch*
8. *MacMillan/Columbo*
9. *Saturday Movie*
10. *Joe Forrester*

Least Violent

1. *Bob Newhart Show*
2. *Mary Tyler Moore*
3. *Welcome Back, Kotter*
4. *Chico and the Man*
5. *Rhoda*
6. *Doc*
7. *The Practice*
8. *The Waltons*
9. *Little House on the Prairie*
10. *Barney Miller*

The same study found that of the three major networks in the U.S., NBC had the most violence, followed by ABC and then CBS.

3. Diversity in Network Programming

The percentage of prime time absorbed by each of the eight categories outlined in the previous section is shown in Table 3-1 for each network and for the networks combined for the seasons 1974-75, 1975-76,

Table 3-1

U.S. Network Prime-time Season Programs, 1974-75 to 1976-77
Program Distribution by Class of Program
(Percentage of Weekly Hours of Programming in Prime Time)

Class of Program	ABC			CBS			NBC			Combined Networks		
	74-75	75-76	76-77	74-75	75-76	76-77	75-75	75-76	76-77	74-75	75-76	76-77
Police/Detective	28.6	31.8	22.7	28.6	27.9	27.3	32.6	34.9	25.0	29.9	31.5	25.0
Situation-Comedy	9.5	13.6	18.2	19.0	25.6	31.8	4.7	9.3	6.8	11.0	16.2	18.9
Action/Adventure	19.0	18.2	9.1	19.0	9.3	9.1	27.9	27.9	27.3	22.0	18.5	15.2
Drama	4.8	4.5	9.1	9.5	14.0	4.5	4.7	9.3	4.5	6.3	9.2	6.1
Movie	23.8	18.2	18.2	19.0	9.3	9.1	25.6	18.6	25.0	22.8	15.4	17.4
Variety	4.8	4.5	13.6	4.8	14.0	13.6	—	—	4.5	3.1	6.2	10.6
Sports	9.5	9.1	9.1	—	—	—	—	—	—	3.1	3.1	3.0
Other	—	—	—	—	—	4.5	4.7	—	6.8	1.6	—	3.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Table 3-2

Television Network Prime-time Programming: Seasons 1974-75, to 1976-77
Diversity, Homogeneity, and Stability Indicators

	ABC				CBS			NBC			Combined Networks		
Indicator	Possible Range	74-75	75-76	76-77	74-75	75-76	76-77	74-75	75-76	76-77	74-75	75-76	76-77
Diversity ^a	0-62.5	28.6	31.8	41.9	33.4	32.5	27.3	13.9	18.6	22.7	25.3	33.8	38.7
Homogeneity ^b	0-600										112	168	181
Stability ^c	0-200	14.7	36.5		40.4	21.6		23.2	35.5		25.3	25.9	

^aMeasures the extent to which prime time is dominated by a few program categories. The higher the score, the greater the diversity.

^bMeasures the extent to which the content of the network schedules resemble one another. The higher the score, the greater the difference between schedules.

^cMeasures the extent to which network schedules change from season to season. The higher the score, the greater the change in schedules.

Source: Table 3-1

and 1976-77. From the data in this table, diversity indicators have been constructed following the technique of Dominick and Pearce³ and are shown in Table 3-2. (The table also contains indicators constructed to measure homogeneity and stability in programming. These will be discussed later.) The diversity indicator is a quantitative estimate of the diversity in network programming showing the extent to which prime time is dominated by a few program categories. It is constructed by summing the percentage of weekly hours of programming in prime time absorbed by the three top categories per season and subtracting this sum from 100. It can range from zero, which means all content is accounted for by three program categories or fewer, to 62.5, which would show

content divided equally into eight categories. The lower the index, the smaller the range of choices between program types available to the viewers.

As shown in Table 3-2, a diversity index has been calculated for each network and for the networks combined. For the latter, the diversity indicator has increased steadily over the past three seasons from 25.3 to 38.7, indicating a trend toward greater diversity and a lesser degree of dominance by a few categories. Interestingly enough, Dominick and Pearce, applying this technique over the 1953-1974 period and using 14 program categories (which means a maximum score of 79), showed a sharp decline in the diversity index from approximately 60 in 1953 to 20 by 1974.⁴ Although the index did fluctuate over short periods (from approxi-

mately 25 in 1968 to 40 in 1970), the long-term trend was clear – more and more of prime time was being devoted to fewer and fewer program types.⁵ Whether the 1974-75/1976-77 period trend is just another short-run fluctuation or the beginning of a reversal of the long-run declining trend is indeterminate.

The diversity indicator for the individual networks also shows a trend towards greater program diversity in ABC and NBC, while the indicator follows an opposite trend for CBS. The indicators also show NBC to be the least diversified.

For each of the three seasons shown, four categories, namely, police/detective, situation comedy, action/adventure, and movies have accounted for over 75 per cent of the programs shown during the 8:00 p.m. to 11:00 p.m. viewing period by the three networks combined. Each of the networks has concentrated on no more than three of these four types of programs, but for each network, police/detective programs have been consistently more dominant than any other category in the three seasons considered. In the 1974-75 season, the three categories of programs where violence is usually found, namely, police/ detective, movies, and action/adventure, constituted 71.4 per cent of the content of ABC, 66.6 per cent of CBS, and 86.1 per cent of NBC. In 1976-77 the percentage of content devoted to police/detective programs was reduced by all three networks, the largest decreases being on ABC and NBC. ABC and CBS reduced action/adventure by one-half and also decreased the time allotted to movies. In 1976-77, the three categories accounted for 50.0 per cent of content for ABC and 45.5 per cent for CBS, but continued to constitute a relatively high 77.3 per cent of NBC prime-time content.

4. *Homogeneity of Network Schedules*

From Table 3-1 a homogeneity indicator was calculated to determine the extent to which the content of the schedules of the networks resembled each other. It is constructed by subtracting each network's percentage of time per program category from the percentage of each of the other two and summing the absolute differences. The index can range from zero, when the schedules are exactly alike, to 600, when the schedules are maximally different from each other.⁶ The homogeneity indicators for the three seasons 1974-75, 1975-76, and 1976-77 are 112, 168, and 181 respectively. While the recent trend is towards greater differences in the content of schedules between the networks, there is still a large degree of homogeneity. Dominick and Pearce showed that the long-run trend, broken by short-run fluctuations, was toward greater and greater homogeneity or similarity of content.⁷

An examination of the content of the schedules of the three networks for 1976-77 shows more similarity between ABC and CBS than between either of these two and NBC. ABC places more stress on drama, movies, and sports than does CBS, which places greater emphasis on

police/detective programs and considerably more on situation comedy. In 1975-76, 31.8 per cent of CBS content in prime time was situation comedy as compared to 18.2 per cent for ABC and only 6.8 per cent for NBC. Police/detective programs, however, constituted approximately one-quarter of the content of all three networks.

A detailed picture of the program schedules of the three networks for the seasons 1974-75, 1975-76, and 1976-77 is presented in Tables 3-3, 3-4, and 3-5. From these tables, Table 3-6 was computed showing the number of hours per week devoted to each of the program categories by each network in each of the three prime-time hours, 8-9:00 p. m., 9-10:00 p.m., and 10-11:00 p.m. for each of the three seasons considered. The similarity or homogeneity of the content of the schedules in each of these time periods is readily apparent. Action/adventure programs are shown almost totally in the 8-9:00 p.m. period as are variety programs. Situation comedies were also highly concentrated in this hour, except in 1976-77 when CBS began to place more emphasis on these programs and moved the majority of them to the 9-10:00 p.m. period. Except for this development in CBS in 1976-77, and its experiment with drama in 1975-76, 70 per cent of the periods 9-10:00 p.m. and 10-11:00 p.m. during the week have been devoted to police/detective programs and movies by each of the networks in the three seasons considered.

Table 3-3

1974-75 Network Prime-time Season: Program Schedules

Day	Time	ABC			CBS			NBC		
		Series Title	Rating	Program Class	Series Title	Rating	Program Class	Series Title	Rating	Program Class
Mon.	8:00	<i>The Rookies</i>	21.0	Pol/Det	<i>Gunsmoke</i>	20.9	Ac/Ad	<i>Born Free</i>	17.6	Ac/Ad
	8:30									
	9:00	<i>NFL Monday Night Football</i>	19.9	Sports	<i>Maude</i>	24.8	Sitcom	<i>NBC Monday Night Movies</i>	19.7	Movie
	9:30				<i>Rhoda</i>	26.6	Sitcom			
Tues.	10:00				<i>Medical Center</i>	21.7	Drama			
	8:00	<i>Happy Days</i>	17.9	Sitcom	<i>Good Times</i>	23.4	Sitcom	<i>Adam-12</i>	16.4	Pol/Det
	8:30	<i>Tuesday Movie of the Week</i>	19.2	Movie	<i>M*A*S*H</i>	25.2	Sitcom	<i>NBC World Premiere Movies</i>	20.4	Movie
	9:00				<i>Hawaii Five-O</i>	22.4	Pol/Det			
	9:30									
	10:00	<i>Marcus Welby, M.D.</i>	17.5	Drama	<i>Barnaby Jones</i>	17.6	Pol/Det	<i>Police Story</i>	19.7	Pol/Det
Wed.	8:00	<i>That's My Mama</i>	19.8	Sitcom	<i>Sons & Daughters</i>	15.6	Drama	<i>Little House on the Prairie</i>	23.6	Ac/Ad
	8:30	<i>Wednesday Movie of the Week</i>	20.7	Movie						
	9:00				<i>Cannon</i>	19.1	Pol/Det	<i>Lucas Tanner</i>	18.1	Drama
	9:30									
	10:00	<i>Get Christie Love</i>	16.8	Pol/Det	<i>The Manhunter</i>	19.9	Pol/Det	<i>Petrocelli</i>	16.1	Pol/Det
Thurs.	9:00	<i>Streets of San Francisco</i>	22.0	Pol/Det	<i>cbs Thursday Night Movies</i>	18.2	Movie	<i>Ironside</i>	14.4	Pol/Det
	9:30									
Fri.	10:00	<i>Harry-O</i>	17.2	Pol/Det				<i>Movin' On</i>	17.2	Ac/Ad
	8:00	<i>Kodiak</i>	9.9	Ac/Ad	<i>Planet of the Apes</i>	16.1	Ac/Ad	<i>Sanford & Son</i>	28.7	Sitcom
	8:30	<i>Six Million Dollar Man</i>	12.1	Ac/Ad				<i>Chico & The Man</i>	28.4	Sitcom
	9:00				<i>cbs Friday Night Movies</i>	18.9	Movie	<i>The Rockford Files</i>	21.7	Pol/Det
	9:30	<i>The Texas Wheelers</i>	11.0	Ac/Ad						
	10:00	<i>The Night Stalker</i>	12.0	Pol/Det				<i>Police Woman</i>	20.2	Pol/Det

Day	Time	ABC			CBS			NBC		
		Series Title	Rating	Program Class	Series Title	Rating	Program Class	Series Title	Rating	Program Class
Sat.	8:00	<i>The New Land</i>	7.9	Ac/Ad	<i>All in the Family</i>	29.4	Sitcom	<i>Emergency</i>	19.8	Ac/Ad
	8:30				<i>Paul Sand in Friends & Lovers</i>	21.8	Sitcom			
	9:00	<i>Kung Fu</i>	11.9	Ac/Ad	<i>Mary Tyler Moore Show</i>	23.6	Sitcom	<i>NBC Sat. Night at the Movies</i>	19.8	Movie
	9:30				<i>Bob Newhart Show</i>	22.4	Sitcom			
	10:00	<i>Nakia</i>	12.7	Pol/Det	<i>Carol Burnett Show</i>	19.4	Variety			
Sun.	7:00									
	7:30				<i>Apple's Way</i>	17.9	Ac/Ad	<i>Wonderful World of Disney</i>	23.2	Ac/Ad
	8:00	<i>Sonny Comedy Review</i>	14.4	Variety						
	8:30				<i>Kojak</i>	21.6	Pol/Det	<i>NBC Sunday Mystery Movie</i>	22.9	Pol/Det
	9:00	<i>ABC Sunday Night Movie</i>	20.7	Movie						
	9:30				<i>Mannix</i>	19.4	Pol/Det			
	10:00							<i>NBC Reports</i>		News

Source: "1974-75 Network Prime-time Season at a Glance," *Variety*, Sept. 18, 1974, pp. 46-47.

"TV Series Season-to-Date Ratings, Sept. 9-Oct. 20," *Variety*, Oct. 30, 1974

Table 3-4

1975-76 Network Prime-time Season: Program Schedules

Day	Time	ABC			CBS			NBC		
		Series Title	Rating	Program Class	Series Title	Rating	Program Class	Series Title	Rating	Program Class
Mon.	8:00	<i>Barbary Coast</i>	12.0	Ac/Ad	<i>Rhoda</i>	24.6	Sitcom	<i>The Invisible Man</i>	16.6	Ac/Ad
	8:30				<i>Phyllis</i>	26.6	Sitcom			
	9:00	<i>NFL Monday Night Football</i>	19.8	Sports	<i>All in the Family</i>	32.0	Sitcom	<i>NBC Monday Night at the Movies</i>	17.4	Movie
	9:30				<i>Maude</i>	27.3	Sitcom			
	10:00				<i>Medical Center</i>	22.5	Drama			
Tues.	8:00	<i>Happy Days</i>	19.1	Sitcom	<i>Good Times</i>	21.7	Sitcom	<i>Movin' On</i>	17.2	Ac/Ad
	8:30	<i>Welcome Back, Kotter</i>	18.6	Sitcom	<i>Joe & Sons</i>	16.9	Sitcom			
	9:00	<i>The Rookies</i>	20.2	Pol/Det	<i>Switch</i>	18.6	Pol/Det	<i>Police Story</i>	17.2	Pol/Det
	9:30									
	10:00	<i>Marcus Welby, M.D.</i>	20.0	Drama	<i>Beacon Hill</i>	13.1	Drama	<i>Joe Forrester</i>	20.7	Pol/Det
Wed.	8:00	<i>When Things Were Rotten</i>	17.3	Sitcom	<i>Tony Orlando & Dawn</i>		Variety	<i>Little House on the Prairie</i>		Ac/Ad
	8:30	<i>That's My Mama</i>	15.6	Sitcom						
	9:00	<i>Baretta</i>	19.1	Pol/Det	<i>Cannon</i>	18.5	Pol/Det	<i>Doctors Hospital</i>	16.7	Drama
	9:30									
	10:00	<i>Starsky & Hutch</i>	21.1	Pol/Det	<i>Kate McShane</i>	12.3	Drama	<i>Petrocelli</i>	15.5	Pol/Det
Thurs.	8:00	<i>Barney Miller</i>	18.1	Sitcom	<i>The Waltons</i>	22.5	Ac/Ad	<i>Montefuscos</i>	11.4	Sitcom
	8:30	<i>On the Rocks</i>	18.9	Sitcom				<i>Fay</i>	12.3	Sitcom
	9:00	<i>Streets of San Francisco</i>	21.6	Pol/Det	<i>cbs Thursday Night at the Movies</i>	16.1	Movie	<i>Ellery Queen</i>	15.2	Pol/Det
	9:30									
Fri.	10:00	<i>Harry-O</i>	18.1	Pol/Det				<i>Medical Story</i>	13.3	Drama
	8:00	<i>Mobile One</i>	10.4	Ac/Ad	<i>Big Eddie</i>	13.1	Sitcom	<i>Sanford & Son</i>	26.4	Sitcom
	8:30				<i>M*A*S*H</i>	17.9	Sitcom	<i>Chico and the Man</i>	21.5	Sitcom
	9:00	<i>ABC Friday Night Movie</i>	16.6	Movie	<i>Hawaii Five-O</i>	15.5	Pol/Det	<i>The Rockford Files</i>	19.7	Pol/Det
	9:30									
	10:00				<i>Barnaby Jones</i>	14.6	Pol/Det	<i>Police Woman</i>	20.7	Pol/Det

Day	ABC				CBS			NBC		
	Time	Series Title	Rating	Program Class	Series Title	Rating	Program Class	Series Title	Rating	Program Class
Sat.	8:00	<i>Saturday Night Live with Howard Cosell</i>	12.1	Variety	<i>The Jeffersons</i>	19.0	Sitcom	<i>Emergency</i>	18.3	Ac/Ad
	8:30				<i>Doc</i>	16.9	Sitcom			
	9:00	<i>S.W.A.T.</i>	14.5	Pol/Det	<i>Mary Tyler Moore Show</i>	20.4	Sitcom	<i>NBC Saturday Night at the Movies</i>	18.2	Movie
	9:30				<i>Bob Newhart Show</i>	20.0	Sitcom			
	10:00	<i>Matt Helm</i>	12.8	Pol/Det	<i>Carol Burnett Show</i>	19.7	Variety			
Sun.	7:00	<i>Swiss Family Robinson</i>	15.7	Ac/Ad	<i>Three for the Road</i>	8.8	Ac/Ad	<i>Wonderful World of Disney</i>	16.1	Ac/Ad
	7:30									
	8:30	<i>Six Million Dollar Man</i>	24.8	Ac/Ad	<i>Cher</i>	17.0	Variety	<i>The Family Holvak</i>	15.3	Ac/Ad
	8:30									
	9:00	<i>ABC Sunday Night Movie</i>	21.2	Movie	<i>Kojak</i>	21.3	Pol/Det	<i>Sunday Mystery Movie</i>	19.0	Pol/Det
	9:30									
	10:00				<i>Bronk</i>	15.9	Pol/Det			

Source: "1975-76 Network Prime-time Season at a Glance," *Variety*, Sept. 3, 1975, pp. 61-66.

"Television Series Ratings after Seven Weeks," *Variety*, Nov. 5, 1975, p. 46.

Table 3-5

1976-77 Network Prime-time Season: Program Schedules

Day	Time	ABC			CBS			NBC		
		Series Title	Rating	Program Class	Series Title	Rating	Program Class	Series Title	Rating	Program Class
Mon.	8:00	<i>Captain & Tennille</i>	19.9	Variety	<i>Rhoda</i>	19.6	Sitcom	<i>Little House on the Prairie</i>	22.1	Ac/Ad
	8:30				<i>Phyllis</i>	18.9	Sitcom			
	9:00	<i>NFL Monday Night Football</i>	21.1	Sports	<i>Maude</i>	20.0	Sitcom	<i>NBC Monday Night at the Movies</i>	25.7	Movie
	9:30				<i>All's Fair</i>	18.0	Sitcom			
	10:00				<i>Executive Suite</i>	15.1	Drama			
Tues.	8:00	<i>Happy Days</i>	31.0	Sitcom	<i>Tony Orlando & Dawn Rainbow Hour</i>	12.9	Variety	<i>Baa Baa Black Sheep</i>	18.2	Ac/Ad
	8:30	<i>Laverne & Shirley</i>	30.2	Sitcom						
	9:00	<i>Rich Man, Poor Man</i>	21.6	Drama	<i>M*A*S*H</i>	26.0	Sitcom	<i>Police Woman</i>	18.6	Pol/Det
	9:30				<i>One Day at a Time</i>	23.1	Sitcom			
	10:00	<i>Family</i>	19.2	Drama	<i>Switch</i>	16.6	Pol/Det	<i>Police Story</i>	18.0	Pol/Det
Wed.	8:00	<i>Bionic Woman</i>	24.7	Ac/Ad	<i>Good Times</i>	20.8	Sitcom	<i>The Practice</i>	12.8	Sitcom
	8:30				<i>Ball Four</i>	15.3	Sitcom			
	9:00	<i>Baretta</i>	24.0	Pol/Det	<i>All in the Family</i>	24.3	Sitcom	<i>NBC Movie of the Week</i>	13.8	Movie
	9:30				<i>Alice</i>	21.1	Sitcom			
	10:00	<i>Charlie's Angels</i>	27.4	Pol/Det	<i>Blue Knight</i>	15.2	Pol/Det	<i>The Quest</i>	13.6	Ac/Ad
Thurs.	8:00	<i>Welcome Back, Kotter</i>	21.7	Sitcom	<i>Waltons</i>	22.5	Ac/Ad	<i>Gemini Man</i>	14.5	Ac/Ad
	8:30	<i>Barney Miller</i>	20.7	Sitcom						
	9:00	<i>Tony Randall Show</i>	19.6	Sitcom	<i>Hawaii Five-O</i>	21.8	Pol/Det	<i>Best Sellers</i>	18.7	Drama
	9:30	<i>Nancy Walker Show</i>	17.8	Sitcom						
	10:00	<i>Streets of San Francisco</i>	18.6	Pol/Det	<i>Barnaby Jones</i>	18.4	Pol/Det	<i>Van Dyke & Company</i>	13.0	Variety
Fri.	8:00	<i>Donny & Marie</i>	18.8	Variety	<i>Spencer's Pilots</i>	10.1	Ac/Ad	<i>Sanford & Son</i>	20.8	Sitcom
	8:30							<i>Chico & The Man</i>	19.4	Sitcom
	9:00	<i>ABC Friday Night Movie</i>	21.5	Movie	<i>CBS Friday Night Movie</i>	15.7	Movie	<i>Rockford Files</i>	19.2	Pol/Det
	9:30									
	10:00							<i>Serpico</i>	15.5	Pol/Det

Day	Time	ABC			CBS			NBC		
		Series Title	Rating	Program Class	Series Title	Rating	Program Class	Series Title	Rating	Program Class
Sat:	8:00	<i>Holmes & Yoyo</i>	14.4	Sitcom	<i>The Jeffersons</i>	20.0	Sitcom	<i>Emergency</i>	18.1	Ac/Ad
	8:30	<i>Mr. T. & Tina</i>	14.1	Sitcom	<i>Doc</i>	15.7	Sitcom			
	9:00	<i>Starsky & Hutch</i>	18.5	Pol/Det	<i>Mary Tyler Moore Show</i>	19.6	Sitcom	<i>NBC Saturday Night at the Movies</i>	19.4	Movie
	9:30				<i>Bob Newhart Show</i>	19.4	Sitcom			
	10:00	<i>Most Wanted</i>	16.0	Pol/Det	<i>Carol Burnett Show</i>	18.3	Variety			
Sun.	7:00	<i>Cos</i>	12.9	Variety	<i>60 Minutes</i>	20.6	News	<i>Wonderful World of Disney</i>	19.6	Ac/Ad
	7:30									
	8:00	<i>Six Million Dollar Man</i>	24.0	Ac/Ad	<i>Sonny & Cher Show</i>	16.6	Variety	<i>Sunday Mystery Movie</i>	21.1	Pol/Det
	8:30									
	9:00	<i>ABC Sunday Night Movie</i>	22.8	Movie	<i>Kojak</i>	18.1	Pol/Det			
	9:30							<i>The Big Event</i>	24.6	Gala Wkly Special
	10:00				<i>Delvecchio</i>	15.5	Pol/Det			

Source: "Network Prime-time Season at a Glance," *Variety*, Sept. 15, 1976, pp. 50-54.

"Regular Series' Top 40 After Five Weeks," *Variety*, Nov. 3, 1976, p. 42.

"Network Series Rating Averages," *Variety*, Jan. 5, 1977, p. 86.

Table 3-6

Television Network Prime-time Programming: Seasons 1974-75, to 1976-77
Program Distribution by Time Slot

Year	Time	Network	Program Category and Hours							
			Police/ Detective	Situation- Comedy	Action/ Adventure	Drama	Movie	Variety	Sports	Other
1974-75	8-9:00	ABC	1	2	2	-	1	1	-	-
		CBS	.5	2	3.5	1	-	-	-	-
		NBC	.5	1	5	-	.5	-	-	-
	9-10:00	ABC	1	-	2	-	3	-	1	-
		CBS	3	2	-	-	2	-	-	-
		NBC	3	-	-	1	3	-	-	-
	10-11:00	ABC	4	-	-	1	1	-	1	-
		CBS	3	-	-	1	2	1	-	-
		NBC	3	-	1	-	2	-	-	1
1975-76	8-9:00	ABC	-	3	3	-	-	1	-	-
		CBS	-	4	1	-	-	2	-	-
		NBC	-	2	5	-	-	-	-	-
	9-10:00	ABC	4	-	-	-	2	-	1	-
		CBS	4	2	-	-	1	-	-	-
		NBC	4	-	-	1	2	-	-	-
	10-11:00	ABC	3	-	-	1	2	-	1	-
		CBS	2	-	-	3	1	1	-	-
		NBC	4	-	-	1	2	-	-	-
1976-77	8-9:00	ABC	-	3	2	-	-	2	-	-
		CBS	-	3	2	-	-	2	-	-
		NBC	1	1.5	4	-	.5	-	-	-
	9-10:00	ABC	2	1	-	1	2	-	1	-
		CBS	2	4	-	-	1	-	-	-
		NBC	2	-	-	1	3	-	-	1
	10-11:00	ABC	3	-	-	1	2	-	1	-
		CBS	4	-	-	1	1	1	-	-
		NBC	2	-	1	-	2	1	-	1

Source: Tables 3-3, 3-4, 3-5.

An examination of Tables 3-3, 3-4, and 3-5 shows that frequently the same types of programs are pitted against each other for at least two of the networks during the 9-10:00 p.m. and 10-11:00 p.m. periods and the third network will show a close substitute. For example, police/detective programs, if not pitted against each other will be pitted against a movie. There are of course exceptions, as well as the CBS tendency to show a situation-comedy opposite police/detective programs or the movies in the other networks in the 9-10:00 p.m. time slot. These situation-comedies have tended to do well in the ratings, or even bettered the ratings of the police/detective programs or the movies against which they competed for audiences. It would appear that programs depicting violence (i.e. police/ detective and movies) which account for the majority of the content in the later hours of prime-time can be successfully countered only with good comedy. The ratings of drama and variety during these hours, for the most part, fall below those of police/detective, movies, and situation-comedies.

5. Stability in Network Programming

Networks normally do not significantly change the content of their schedules from season to season. Generally some change can be expected and one network may make more changes than another, but a complete revamping of schedules is highly unlikely, primarily due to the uncertainty of viewer reaction. The traditional rule of thumb is that approximately two out of three "newcomers" in a season will be dropped due to low ratings.⁸ Radical changes by a network, if not accepted by the audience, could result in a substantial drop in that network's ratings and consequent loss of revenues. On the other hand, successful changes are likely to be imitated by rival networks with consequent relatively stable network audience shares. This also tends to act as a restraint against major, and perhaps costly, changes.

From Table 3-1 a stability indicator was calculated to determine the extent of change from season to season. It is derived by subtracting the percentage of time in each of the eight categories in any one season from the percentages in the preceding season and summing the absolute values of the differences.⁹ The indicator can range from zero, showing no change, to 200, when maximum change is made. A low indicator value means that the content, as divided among the eight categories, was essentially the same in a season as that in the preceding season.

The stability indicators are illustrated in Table 3-2. For the networks combined, the indicators for the 1974-75 to 1975-76 seasons and for the 1975-76 to 1976-77 seasons are relatively low and similar at 25.3 and 25.9 respectively. About the same amount of change was made in the 1975-76 season over the previous season as was made in the 1976-77 season. In 1975-76, there was a small increase in the proportion of time devoted to

police/ detective programs, larger increases in situation-comedy, drama, and variety, and a reduction in time allotted to movies and action/ adventure. In 1976-77 the situation-comedy and variety content continued to increase but police/detective and drama fell, as did action/adventure. Movies, on the other hand, increased.

At the individual network level, the stability indicators varied but overall remained relatively low given the 0-200 range of possible movement. In 1975-76 the least change was made by ABC, shown with an indicator of 14.7, followed by NBC at 23.2. CBS made greater changes, with a stability indicator of 40.4, moving toward more situation-comedy, drama, and variety programs, while reducing action/adventure and movies. In 1976-77, the opposite was true as CBS remained relatively stable and ABC and NBC made changes. ABC followed the CBS move of the previous year by increasing situation-comedy programs, drama, and variety, and reducing action/adventure. Interestingly, while ABC increased its drama content, both CBS and NBC reversed their earlier move and sharply reduced drama. The most significant change at NBC was a reduction in police/detective programs, offset primarily by an increase in movies.

6. Costs, Ratings, and Revenues of Television Programs

The estimated costs of bringing in various programs by the three television networks for the three seasons 1974-75, 1975-76, and 1976-77, and the Nielsen ratings for these programs are shown in Tables 3-7, 3-8, and 3-9. From these tables the average costs of the various program types and the average ratings have been computed and are presented in Table 3-10. As shown in this table, movies are the most expensive for the networks to acquire, calculated as costs per half-hour, followed by police/ detective and action/adventure programs. In 1974-75 and 1975-76, the cost to the networks of acquiring movies was 50 per cent greater than that for police/detective or action/ adventure programs.

Interestingly, police/detective programs were the second most expensive (excluding sports). Across the seasons from 1974-75 to 1976-77, the average costs of police/detective and action/adventure programs did not significantly differ, and cost consistently more per half-hour than situation-comedies and drama, although the latter two were not far behind. For example, in 1976-77 the average cost per half-hour of programs by category were: police/detective \$169,000; action/adventure \$166,750; situation-comedy \$164,00; and drama \$156,875. The average cost of variety programs, among the highest of the categories in 1974-75, remained relatively constant and by 1976-77 was considerably lower than the other programs at \$119,285.

Table 3-7

1974-75 Network Prime-time Season: Program Characteristics

Program Class	Series Title	Min.	Est. Cost per Episode \$	Supplier	Nielsen Rating '74
ABC					
Police-Detective	<i>Get Christie Love</i>	60	180,000	Wolper Prods., Universal Television	16.8
	<i>Harry-O</i>	60	200,000	Warner Bros. Television	17.2
	<i>Nakia</i>	60	180,000	Columbia Pictures Television David Gerber Prods.	12.7
	<i>The Night Stalker</i>	60	190,000	Universal Television	12.0
	<i>The Rookies</i>	60	210,000	Spelling-Goldberg Prods.	21.0
	<i>Streets of San Francisco</i>	60	225,000	Quinn Martin Prods.	22.0
Situation-Comedy	<i>Happy Days</i>	30	105,000	Paramount Television/Miller-Milkis Prods.	17.9
	<i>The Odd Couple</i>	30	105,000	Paramount Television	14.2
	<i>Paper Moon</i>	30	105,000	Paramount Television, Culgean Corp.	15.1
	<i>That's My Mama</i>	30	100,000	Columbia Pictures Television/ Blye-Bearde Prods.	19.8
Action/Adventure	<i>Kodiak</i>	30	95,000	Kodiak Prods. Worldvision	9.9
	<i>Kung Fu</i>	60	215,000	Warner Bros. Television	11.9
	<i>The New Land</i>	60	200,000	Warner Bros. Television	7.9
	<i>Six Million Dollar Man</i>	60	225,000	Universal Television	12.1
	<i>The Texas Wheelers</i>	30	105,000	MTM Enterprises	11.0
Drama	<i>Marcus Welby, M.D.</i>	60	205,000	Universal Television	17.5
Movie	<i>ABC Sunday Night Movie</i>	120	675,000	various	20.7
	<i>Tues. Movie of the Week</i>	90	435,000	various	19.2
	<i>Wed. Movie of the Week</i>	90	435,000	various	20.7
Variety	<i>The Sonny Comedy Revue</i>	60	205,000	Blye-Bearde Prods. JayJay Inc., Ganch Prods.	14.4
Sports	<i>NFL Monday Night Football</i>	120 +	675,000	ABC Sports	19.9
CBS					
Police/Detective	<i>Barnaby Jones</i>	60	205,000	Quinn Martin Prods.	17.6
	<i>Cannon</i>	60	205,000	Quinn Martin Prods.	19.1
	<i>Hawaii Five-O</i>	60	215,000	Leonard Freeman Prods.	22.4
	<i>Kojak</i>	60	200,000	Universal Television	21.6
	<i>The Manhunter</i>	60	205,000	Quinn Martin Prods.	19.9
	<i>Mannix</i>	60	215,000	Paramount Television	19.4
Situation-Comedy	<i>All in the Family</i>	30	118,000	Bud Yorkin/Norman Lear/ Tandem Prods.	29.4
	<i>Bob Newhart Show</i>	30	108,000	MTM Enterprises	22.4
	<i>Good Times</i>	30	100,000	Bud Yorkin/Norman Lear Prods.	23.4
	<i>M*A*S*H</i>	30	105,000	20th Century Fox-Television	25.2

Program Class	Series Title	Min.	Est. Cost per Episode \$	Supplier	Nielsen Rating '74
	<i>Mary Tyler Moore Show</i>	30	110,000	MTM Enterprises	23.6
	<i>Maude</i>	30	105,000	Bud-Yorkin/Norman-Lear/ Tandem Prods.	24.8
	<i>Paul Sand in Friends & Lovers</i>	30	105,000	MTM Enterprises	21.8
	<i>Rhoda</i>	30	105,000	MTM Enterprises	26.6
Action/ Adventure	<i>Apple's Way</i>	60	200,000	Lorimar Prods.	17.9
	<i>Planet of the Apes</i>	60	225,000	20th Century Fox Television	16.1
	<i>The Waltons</i>	60	205,000	Lorimar Prods.	25.6
	<i>Gunsmoke</i>	60	230,000	CBS	20.9
Drama	<i>Medical Center</i>	60	205,000	MGM-Television Alfa Prods.	21.7
	<i>Sons and Daughters</i>	60	180,000	Universal Television	15.6
Movies	<i>cbs Friday Night Movie</i>	120	750,000	various	18.9
	<i>cbs Thursday Night Movie</i>	120	750,000	various	18.2
Variety NBC	<i>Carol Burnett Show</i>	60	245,000	Punkin Prods.	19.4
Police/ Detective	<i>Adam-12</i>	30	125,000	Mark VII Ltd.-Universal Television	16.2
	<i>Ironside</i>	60	260,000	Harbour Prods., Universal Television	14.4
	<i>NBC Sunday Mystery Movie</i>	90	450,000	Universal Television	22.9
	<i>Petrocelli</i>	60	215,000	Paramount Television/Miller- Milkis Prods.	16.1
	<i>Police Story</i>	60	225,000	Columbia Pictures Television/ David Gerber Prods.	19.7
	<i>Police Woman</i>	60	210,000	Columbia Pictures Television/ David Gerber Prods.	20.2
	<i>The Rockford Files</i>	60	235,000	Universal Television/Cherokee Prods./ Public Arts Inc.	21.7
Situation- Comedy	<i>Chico & The Man</i>	30	90,000	Wolper Prods., Komack Co.	28.4
	<i>Sanford & Son</i>	30	105,000	Bud Yorkin/Norman Lear/ Tandem Prods.	28.7
Action/ Adventure	<i>Born Free</i>	60	215,000	Columbia Pictures Television/ David Gerber Prods.	17.6
	<i>Emergency!</i>	60	240,000	Mark VII Ltd., Universal Television	19.8
	<i>Little House on the Prairie</i>	60	225,000	NBC-Television/Ed Friendly	23.6
	<i>Sierra</i>	60	225,000	Mark VII Ltd./Universal Television	15.0
	<i>Wonderful World of Disney</i>	60	245,000	Walt Disney Prods.	23.2
	<i>Movin' On</i>	60	210,000	D'Antoni-Weitz Television Prods.	17.2
Drama	<i>Lucas Tanner</i>	60	225,000	Universal Television/Groverton Prods.	18.1
Movies	<i>NBC Monday Night at the Movies</i>	120	775,000	various	19.7
	<i>NBC Saturday Night at the Movies</i>	120	775,000	various	19.8
	<i>NBC World Premiere Movies</i>	90	425,000	various	20.4
News/Public Affairs	<i>NBC Reports</i>	60	175,000	NBC News	

Source: "1974-75 Network Prime-time Season at a Glance," *Variety*, Sept. 18, 1974, pp. 46-47.

"Television Series Season-to-Date Ratings, Sept. 9-Oct. 20.," *Variety*, Oct. 24, 1974.

Table 3-8

1975-76 Network Prime-Time Season: Program Characteristics

Program Class	Series Title	Min.	Est. Cost per Episode	Supplier	Nielsen Rating '75	Nielsen Rating '74
ABC						
Police- Detective	<i>Baretta</i>	60	260,000	Universal Television/Ray Huggins/Public Arts Inc.	19.1	—
	<i>Harry-O</i>	60	260,000	Warner Bros. Television	18.1	16.9
	<i>Matt Helm</i>	60	260,000	Columbia Pictures Television/Meadway Prods.	12.8	—
	<i>The Rookies</i>	60	260,000	Spelling-Goldberg Prods.	20.2	20.5
	<i>Starsky & Hutch</i>	60	245,000	Spelling-Goldberg Prods.	21.1	—
	<i>Streets of San Francisco</i>	60	280,000	QM Prods.	21.6	21.5
	<i>S.W.A.T.</i>	60	260,000	Spelling-Goldberg Prods.	14.5	—
Situation- Comedy	<i>Barney Miller</i>	30	125,000	Four D Prods.	18.1	—
	<i>Happy Days</i>	30	130,000	Paramount Television/Miller-Milkis Prods.	19.1	17.9
	<i>On the Rocks</i>	30	100,000	John Rich Prods.	18.9	—
	<i>That's My Mama</i>	30	110,000	Columbia Pictures Television	15.6	19.8
	<i>Welcome Back, Kotter</i>	30	95,000	Komack Co./Wolper Prods.	18.6	—
	<i>When Things Were Rotten</i>	30	140,000	Paramount Television	17.3	—
Drama	<i>Marcus Welby, M.D.</i>	60	285,000	Universal Television	20.0	18.1
Action/ Adventure	<i>Barbary Coast</i>	60	250,000	Paramount Television/Francy Prods.	12.0	—
	<i>Mobile One</i>	60	250,000	Mark VII Ltd./Universal Television	10.4	—
	<i>Six Million Dollar Man</i>	60	280,000	Universal Television/Silverton Prods.	24.8	12.1
	<i>Swiss Family Robinson</i>	60	255,000	Irwin-Allen Prods./20th Century-Fox Television	15.7	—
Movie	<i>ABC Friday Night Movie</i>	120	775,000	various	16.6	—
	<i>ABC Sunday Night Movie</i>	120	775,000	various	21.2	20.7
Variety	<i>Saturday Night Live with Howard Cosell</i>	60	250,000	Jilary Enterprises	12.1	—
Sports	<i>NFL Monday Night Football</i>	120+	700,000	ABC Sports	20.8	19.8
CBS						
Police- Detective	<i>Barnaby Jones</i>	60	240,000	QM Prods.	14.6	17.6
	<i>Bronk</i>	60	240,000	MGM-Television	15.9	—
	<i>Cannon</i>	60	240,000	QM Prods.	18.5	19.6
	<i>Hawaii Five-O</i>	60	270,000	Leonard Freeman Ent.	15.5	23.2
	<i>Kojak</i>	60	270,000	Universal Television	21.3	21.2
	<i>Switch</i>	60	250,000	Universal Television/Glen Larson Prods.	18.6	—

Program Class	Series Title	Min.	Est. Cost per Episode	Supplier	Nielsen Rating '75	Nielsen Rating '74
Situation- Comedy	<i>All in the Family</i>	30	130,000	Bud Yorkin/Norman Lear/ Tandem Prods.	32.0	29.3
	<i>Big Eddie</i>	30	100,000	Concept Plus Two/ Deazedemzandoze Prods.	13.1	
	<i>Bob Newhart Show</i>	30	120,000	MTM Enterprises	20.0	21.7
	<i>Doc</i>	30	100,000	MTM Enterprises	16.9	—
	<i>Good Times</i>	30	110,000	Bud Yorkin/Norman Lear/ Tandem Prods.	21.7	24.2
	<i>The Jeffersons</i>	30	110,000	T.A.T. Communications Co./ NRW Prods.	19.0	—
	<i>Joe & Sons</i>	30	100,000	Douglas S. Cramer Prods.	16.9	—
	<i>Mary Tyler Moore Show</i>	30	130,000	MTM Enterprises	20.4	22.9
	<i>M*A*S*H</i>	30	130,000	20th Century-Fox Television	17.9	26.0
	<i>Maude</i>	30	120,000	Bud Yorkin/Norman Lear/ Tandem Prods.	27.3	24.7
Action/ Adventure	<i>Rhoda</i>	30	120,000	MTM Enterprises	24.6	26.4
	<i>Three for the Road</i>	60	230,000	MTM Enterprises	8.8	—
	<i>The Waltons</i>	60	240,000	Lorimar Prods.	22.5	26.3
Drama	<i>Beacon Hill</i>	60	240,000	Robert Stigwood Org.	13.1	—
	<i>Kate McShane</i>	60	235,000	Paramount Television/P.A. Prods.	12.3	—
Movie	<i>Medical Center</i>	60	265,000	MGM-Television/Alfra Prods.	22.5	21.5
	<i>cbs Thursday Night Movies</i>	120	775,000	various	16.1	19.2
Variety	<i>Carol Burnett Show</i>	60	260,000	Punkin Prods.	19.7	19.2
	<i>Cher</i>	60	250,000	Apis Prods./George Schlatter Prods.	17.0	—
	<i>Tony Orlando & Dawn</i>	60	230,000	Ison-Chambers Prods./ Yellow Ribbon Prods.	17.3	—
NBC						
Police- Detective	<i>Ellery Queen</i>	60	250,000	Universal Television/Fairmont Foxcraft Prods.	15.2	—
	<i>Joe Forrester</i>	60	250,000	Columbia Pictures Television/ David Gerber Prods.	20.7	—
	<i>NBC Sunday Mystery Movie</i>	90	525,000	Universal Television	19.0	—
	<i>Petrocelli</i>	60	240,000	Paramount Television/Miller- Milks Prods.	15.5	16.1
	<i>Police Story</i>	60	260,000	Columbia Pictures Television/ David Gerber Prods.	17.2	19.7
	<i>Police Woman</i>	60	250,000	Columbia Pictures Television/ David Gerber Prods.	20.7	20.0
	<i>The Rockford Files</i>	60	265,000	Universal Television/Cherokee Prods., Ray Huggins/ Public Arts Inc.	19.7	21.5

Program Class	Series Title	Min.	Est. Cost per Episode	Supplier	Nielsen Rating '75	Nielsen Rating '74
Situation- Comedy	<i>Chico & The Man</i>	30	105,000	Komack Co./Wolper Prods.	21.5	28.2
	<i>Fay</i>	30	100,000	Danny Thomas Prods./ Universal Television	12.3	—
	<i>The Montefuscos</i>	30	100,000	Concept Plus Two Prods./ MGM-Television	11.4	—
	<i>Sanford & Son</i>	30	130,000	Bud Yorkin/Norman Lear/ Tandem Prods./Norbud Prods.	26.4	—
Action/ Adventure	<i>Emergency</i>	60	270,000	Mark VII Ltd./Universal Television	18.3	19.8
	<i>The Family Holvak</i>	60	265,000	Universal Television	15.3	—
	<i>The Invisible Man</i>	60	270,000	Universal Television/Silverton Prods.	16.6	—
	<i>Little House on the Prairie</i>	60	260,000	NBC-Television/Ed Friendly	21.4	23.4
	<i>Movin' On</i>	60	235,000	D'Antoni-Weitz Prods.	17.2	16.6
	<i>Wonderful World of Disney</i>	60	275,000	Walt Disney Prods.	16.1	23.9
Drama	<i>Doctors Hospital</i>	60	250,000	Universal Television	16.7	—
	<i>Medical Story</i>	60	250,000	Columbia Pictures Television/ David Gerber Prods.	13.3	—
Movie	<i>NBC Monday Night at the Movies</i>	120	775,000	various	17.4	19.7
	<i>NBC Saturday Night at the Movies</i>	120	775,000	various	18.2	19.8

Source: "1975-76 Network Prime-time Season at a Glance," *Variety*, Sept. 3, 1975, pp. 61-66.

"Television Series Ratings after Seven Weeks," *Variety*, Nov. 5, 1975, p. 46.

Table 3-9

1976-77 Network Prime-time Season: Program Characteristics

Program Class	Series Title	Min.	Est. Cost per Episode	Supplier	Nielsen Rating '76
ABC Police- Detective	<i>Baretta</i>	60	350,000	Universal Television/Roy Huggins/ Public Arts	24.0
	<i>Charlie's Angels</i>	60	310,000	Spelling-Goldberg Prods.	27.4
	<i>Most Wanted</i>	60	320,000	QM Prods. [Quinn-Martin]	16.0
	<i>Starsky & Hutch</i>	60	340,000	Spelling-Goldberg Prods.	18.5
	<i>Streets of San Francisco</i>	60	350,000	QM Prods.	18.6
Situation- Comedy	<i>Barney Miller</i>	30	175,000	Four D Prods.	20.7
	<i>Happy Days</i>	30	180,000	Paramount Television/Miller- Milkis Prods.	31.0
	<i>Holmes & Yoyo</i>	30	110,000	Universal Television/Heyday Prods.	14.4
	<i>Laverne & Shirley</i>	30	160,000	Paramount Television/Miller- Milkis Prods.	30.2
	<i>Mr. T. & Tina</i>	30	120,000	Komack Co.	14.1
	<i>Nancy Walker Show</i>	30	135,000	T.A.T. Communications	17.8
	<i>Tony Randall Show</i>	30	150,000	MTM Enterprises	19.6
	<i>Welcome Back, Kotter</i>	30	150,000	Komack-Wolper Prods.	21.7
Action/ Adventure	<i>Bionic Woman</i>	60	370,000	Universal Television/Harve Bennett Prods.	24.7
	<i>Six Million Dollar Man</i>	60	370,000	Universal Television/Harve Bennett Prods.	24.0
Drama	<i>Family</i>	60	280,000	Spelling-Goldberg Prods.	19.2
	<i>Rich Man, Poor Man, Book II</i>	60	325,000	Universal Television	21.6
Movie	<i>ABC Friday Night Movie</i>	120	various	various	21.5
	<i>ABC Sunday Night Movie</i>	120	various	various	22.8
Variety	<i>Captain & Tennille</i>	60	220,000	Moonlight & Magnolias Inc./ Bob Henry Prods.	19.9
	<i>Cos</i>	60	220,000	Jemmin Inc.	12.9
	<i>Donny & Marie</i>	60	230,000	Osmond Prods./Sid & Marty Krofft Prods.	18.8
Sports	<i>NFL Monday Night Football</i>	120+	400,000	ABC Sports	21.1
CBS Police- Detective	<i>Barnaby Jones</i>	60	320,000	QM Prods.	18.4
	<i>Blue Knight</i>	60	300,000	Lorimar Prods.	15.2
	<i>Delvecchio</i>	60	300,000	Universal Television/Crescendo Prods.	15.5
	<i>Hawaii Five-O</i>	60	385,000	CBS-Television	21.8
	<i>Kojak</i>	60	360,000	Universal Television/FRP Prods.	18.1
	<i>Switch</i>	60	340,000	Universal Television	16.6

Program Class	Series Title	Est. Cost			Nielsen Rating '76
		Min.	per Episode	Supplier	
Situation- Comedy	<i>All in the Family</i>	30	225,000	Norman Lear/Bud Yorkin/ Tandem Productions	24.3
	<i>All's Fair</i>	30	125,000	T.A.T. Communications Co.	18.0
	<i>Alice</i>	30	110,000	Warner Bros. Television	21.1
	<i>Ball Four</i>	30	110,000	cbs-Television	15.3
	<i>Bob Newhart Show</i>	30	200,000	MTM Enterprises	19.4
	<i>Doc</i>	30	140,000	MTM Enterprises	15.7
	<i>Good Times</i>	30	180,000	Norman Lear/Bud Yorkin/ Tandem Productions	20.8
	<i>Jeffersons</i>	30	170,000	T.A.T. Communications Co.,- NRW Prods.	20.0
	<i>Mary Tyler Moore</i>	30	225,000	MTM Enterprises	19.6
	<i>M*A*S*H</i>	30	190,000	20th Century Fox Television	26.0
	<i>Maude</i>	30	190,000	Norman Lear/Bud Yorkin/ Tandem Productions	20.0
	<i>One Day at a Time</i>	30	160,000	T.A.T. Communications- Allwhit Inc.	23.1
	<i>Phyllis</i>	30	170,000	MTM Enterprises	18.9
	<i>Rhoda</i>	30	180,000	MTM Enterprises	19.6
Action/ Adventure	<i>Spencer's Pilots</i>	60	290,000	cbs-Television	10.1
	<i>Waltons</i>	60	320,000	Lorimar Prods.	22.5
Drama	<i>Executive Suite</i>	60	325,000	MGM- Television /Stanly Rubin/ Arena Prods.	15.1
Movie	<i>cbs Friday Night Movie</i>	120	various	various	15.7
Variety	<i>Carol Burnett Show</i>	60	280,000	Punkin Prods.	18.3
	<i>Sonny & Cher Show</i>	60	240,000	Apis Prods./Yonge Street Entertainment	16.6
	<i>Tony Orlando & Dawn Rainbow Hour</i>	60	240,000	Ilson-Chambers Prods./ Yellow Ribbon Prods.	12.9
News/Public Affairs	<i>60 Minutes</i>	60	200,000	cbs News	20.6
NBC					
Police- Detective	<i>NBC Sunday Mystery Movie (Columbo, McCloud, McMillan, Quincy)</i>	90	500,000	Universal Television	21.1
	<i>Police Story</i>	60	350,000	Columbia Pictures Television/ David Gerber Prods.	18.0
	<i>Police Woman</i>	60	360,000	Columbia Pictures Television/ David Gerber Prods.	18.6
	<i>Rockford Files</i>	60	365,000	Universal Television-Cherokee Prods./Roy Huggins/Public Arts	19.2
	<i>Serpico</i>	60	320,000	Paramount Television/Emmett Lavery Jr. Productions	15.5

Program Class	Series Title	Min.	Est. Cost per Episode	Supplier	Nielsen Rating '76
Situation- Comedy	<i>Chico & The Man</i>	30	180,000	Comack Co./Wolper Prods.	19.4
	<i>The Practice</i>	30	160,000	Danny Thomas Prods./ MGM-Television	12.8
	<i>Sanford and Son</i>	30	220,000	Norman Lear/Bud Yorkin/ Tandem Productions	20.8
Action/ Adventure	<i>Baa Baa Black Sheep</i>	60	300,000	Universal Television	18.2
	<i>Emergency</i>	60	320,000	Universal Television/Mark VII Ltd.	18.1
	<i>Gemini Man</i>	60	340,000	Universal Television/Harve Bennett Prods.	14.5
	<i>Little House on the Prairie</i>	60	320,000	ABC-Television/Ed Friendly	22.1
	<i>Wonderful World of Disney</i>	60	385,000	Walt Disney Prods.	19.6
	<i>The Quest</i>	60	280,000	Columbia Pictures Television/ David Gerber Prods.	13.6
Drama	<i>Best Sellers</i>	60	325,000	Universal Television	18.7
Movie	<i>NBC Monday Night at the Movies</i>	120	various	various	25.7
	<i>NBC Movie of the Week</i>	90	various	various	13.8
	<i>NBC Saturday Night at the Movies</i>	120	various	various	19.4
Variety	<i>Van Dyke & Company</i>	60	240,000	Catspaw Prods./Blye-Einstein Prods.	13.0
Gala Weekly Special	<i>The Big Event</i>	90	various	various	24.6

Source: "Network Prime-time Season at a Glance," *Variety*, Sept. 15, 1976, pp. 50-54.

"Network Series Rating Averages," (1st 13 weeks, Sept. 20 through Dec. 19), *Variety*, Jan. 7, 1977, p. 86.

Table 3-10

*U.S. Network Prime-time Programs,
Average Costs by Class of Program and Average Rating
(Cost per half hour program or equivalent)*

Class of Program	1974-75		1975-76		1976-77	
	Average Cost	Average ^a Rating	Average Cost	Average ^a Rating	Average Cost	Average ^a Rating
1) Police/Detective	108,552	18.5	130,000	17.9	169,000	18.9
2) Situation-Comedy	104,714	22.9	120,250	19.5	164,600	20.1
3) Action/Adventure	108,666	16.6	128,333	16.6	166,750	18.7
4) Drama	101,875	18.2	127,083	16.3	156,875	18.7
5) Movie	170,375	19.7	193,750	17.9	various	19.8
6) Variety	112,500	16.9	123,750	16.5	119,285	16.1
7) Sports	168,750	19.9	175,000	20.8	—	21.1
8) Other	87,500	—	100,000	20.1	various	—

^aThe ratings for 1974-75 and 1975-76 cover 7 weeks while the ratings for 1976-77 cover 13 weeks in the beginning of each season.

Source: Tables 3-3, 3-4, 3-5.

The costs per segment shown in the tables represent costs to the network of acquiring the program from the supplier. The networks in the U.S. do little of their own production for prime-time, but rely on outside producers. In the 1975-76 season, other than sports, only one of the network prime-time programs was produced by a network, and in the 1976-77 season two programs were produced by the networks. The production fee paid by the network is not necessarily sufficient to cover the costs of production or yield a profit to the producer. Additional revenues frequently accrue to the producer/supplier through syndication of the program and sale to non-network stations and in foreign markets.

As in the case of feature films, various elements influence costs of producing television programs, including the performers, set construction and destruction, number of location movements, and the type of program. Producers are in general agreement that programs involving a good deal of dialogue, with very few set and location movements (i.e. a program filmed in one room) are generally the least expensive to produce. On the other hand, action-type programs involving location movements, chase scenes, destruction of equipment and property, et cetera generally tend to be more expensive. This would imply that situation-comedy and drama, where settings are frequently limited and a large amount of dialogue is involved, are less expensive to produce than police/detective and action/adventure programs. Variety programs, on the other hand, may vary, depending on the costumes and backdrops as well as the type of guest talent brought in. Frequently, informal agreements among performers providing for token payments for reciprocal guest appearances, keep costs down.

While the consensus of producers is that although situation-comedy programs are probably cheaper to produce than the one-hour police/detective and action/adventure type program, they tend to be more difficult. First, good comedy script-writers appear to be at a premium while it is much less difficult to write action/adventure scripts as they generally follow a formula. Writers for such shows as *Mannix* compile an action script from filing cards each representing program segments with such names as the hooker, the problem, the home-stretch, a two-minute diver to keep the audience from switching channels, a wrap-up and the teaser for next week – all separated by commercial breaks. Networks and writers agree that violence can hold such dramatic patchwork quilts together; subtlety of theme and character are eliminated in favour of constant audience-jolts. Successful comedy writing requires more script care and creativity to maintain audiences. There also appears to be considerably more uncertainty in producing and scheduling a comedy. A comedy which fails leaves little to salvage while there is more room for error and some weakness in a one-hour action-type show. In addition, comedy encounters

problems for syndication and success abroad as sense of humour in the U.S. may differ from that in other countries. The police-action-adventure format has more syndicated value than any other format.¹⁰

Higher costs for a program, however, are not necessarily rewarded by higher ratings (the success indicator). While police/ detective programs cost more than situation-comedy, the average Nielsen rating for situation-comedy was 22.9 compared to an average of 18.5 for police/detective in 1974-75. For the 1975-76 season, the average ratings for these two categories were 19.5 and 17.9 respectively, and in 1976-77, 20.1 and 18.9 respectively. Movies had a higher rating than police/detective in 1974-75 and 1976-77 and the two were rated equally in the 1975-76 season. The average rating for action/adventure programs remained at 16.6 for the first two seasons, but rose to 18.7 in 1976-77. Drama, while just slightly below police/detective in 1974-75, fell below the latter by approximately 1.6 points in the following season and with an average rating of 16.3 was the lowest of all categories. In 1976-77 drama ratings rose and matched action /adventure at 18.7. Variety programs were rated at about the same level as action/adventure for the first two seasons, but dropped in 1976-77 and widened the gap at 16.1. Sports, consisting exclusively of *Monday Night Football* on ABC, cost almost as much as movies, but also enjoyed relatively high ratings.

In summary, excluding sports, the three categories of programs with the highest average Nielsen ratings over the three seasons were, in order: situation-comedy, movies, and police/detective.

Another observation that can be made from Tables 3-7, 3-8, and 3-9 is that situation-comedy programs have the lowest rate of seasonal turnover, while action/adventure, drama and variety have the highest rate of turnover. In between these are police/ detective programs. Between the 1974-75 and 1975-76 seasons, out of 14 situation-comedy programs, three were dropped for a turnover rate of approximately 21 per cent, while between the 1975-76 and 1976-77 seasons out of 21 programs, seven were dropped, for a turnover rate of 33 per cent. The turnover rate for police/ detective programs during these same periods was 37 per cent and 45 per cent; for drama it was 50 per cent and 100 per cent; for variety it was 50 per cent for each period, and for action/adventure the turnover rate was 60 per cent and 50 percent.

It is therefore apparent that even though police/ detective programs, (the category where violence undoubtedly prevails), are not inexpensive to produce, they do on the average stand relatively high in the ratings. Furthermore, if the rate of turnover is taken as a guide to the stability of programs from one season to the next, only situation-comedy programs tend to be more stable. Movies, of course, are difficult to rate in this manner because they may continue in their time

slot from season to season, yet the subject matter can vary significantly.

Ratings are very important to networks for they have a considerable impact on advertising revenues.

In the 1950s the networks in the U.S. produced most of their television programs themselves, and sold entire time blocks to sponsors and advertising agencies. During the 1960s, however, the networks began to depend increasingly on outside or independent producers, particularly for their prime-time programs and at the same time they turned from selling blocks of time or entire programs to single advertisers to selling spots ranging from ten seconds to 120 seconds to various advertisers. Depending on the popularity of the show, the time spots sell for up to \$140,000 per minute. (It is estimated that commercials for the network showing of *Gone with the Wind* sold for \$235,000 per minute.)¹¹ The average price of commercial time on U.S. networks in 1976 was approximately \$90,000 per minute.¹² The popularity of a program, as measured by the Nielsen ratings, is important to networks in terms of advertising revenue, as is evident from the following:

... The Nielsen ratings are so important that although NBC lost out to CBS (for the nineteenth year in a row) by less than one Nielsen point during the 1974-75 season, that slight difference was worth \$17.5 million to the winner.¹³

Advertising is of course the prime source of revenue for television, and television has the highest dollar expenditure by advertisers of all the mass media.

7. Other Facets of Production and Programming

a) The Production Process

As mentioned earlier, the U.S. networks rely on outside independent producers for virtually all their entertainment programs. However, the networks retain control of the entire conceptual and developmental processes in any series production. At the outset these producers will suggest possible series concepts. From this point on, the network, if interested, will begin funding the preparation of treatment outlines; further interest will lead to the financing of a few scripts, and if these meet approval then a pilot program is made. Very rarely will an independent producer go any further than the initial step without financial commitment from a network. The cost of producing a "pilot" – in effect a prototype – is well beyond the speculative capability of most producers.¹⁴ Throughout these initial stages the networks' input is considerable and fundamentally influences the characterizations, plots, and image of the series. Once the series is in production, each new script is carefully reviewed by the network and extensive revisions may be ordered.

Discussions with writers and producers revealed that this continuous network direction came from two sources. First, from the network's program standards department which minutely censors the scripts for excessive violence, undue sexual references, and

anything they feel may be offensive to the audience or a segment of it. These codes of censorship are not published and evolve from year to year as the networks gauge a certain common denominator of public tolerance. To assist the producer each network assigns a liaison officer to the program series, and many of the changes are negotiated. Second, the producer and his writers are under considerable pressure from the network program department which is anxious for rating strength. Our discussions indicated that this pressure often took a form in apparent conflict with the standards of censorship applied by the network. Such euphemisms as "make it harder", – suggesting more graphic or explicit violence and /or sex and "more jeopardy up front", – suggesting more aggressive conflict at the outset to ensure audience loyalty to the channel, – are typical of these program directions. Because funding originates with the program departments, their suggestions are paramount in the producer's mind. The trick, then, is to get by the standards department while trying to fulfil the requirements of the program department.¹⁵

In the past, the networks have been more interested in censoring sex and language rather than scenes of violence, although there is some evidence that networks have recently become more concerned with raw violence. There appears to be a process of trade-offs in which more explicit references to sex are traded for less-dramatic scenes of violence. *Charlie's Angels* is a good example of a program with more sex countering less overt violence. Its relatively high rating (26.8) may conceivably trigger a greater movement in this direction; success immediately invites imitation.

We were impressed by the pervasiveness and subtlety of the anticipating forces which conditioned the writers, producers, and networks. Based on past experience and present results, the whole creative and developmental process seemed inhibited by second-guessing what the next-higher level of authority would appreciate as marketable. Newer ideas, plans, approaches and concepts were seemingly discussed only in terms of their similarity to the track record of known programs. *Police Story* was cited as an almost bizarre exception – an anthology series – when conventional wisdom dictated continuing-characters in predictably similar situations. Not only must there be a remarkable unity throughout a series, there appears to be a marked consistency in the pattern and amount of tension, conflict, violence in each episode to the next, e.g. *Mannix* usually get beaten up about two-thirds of the way into each episode.

Some writers observed that they felt violence was dramatically honest, ("The American society is a violent society"), and although deploring gratuitous violence, they felt violence was very frequently an integral part of reflecting life and reality. They argued not that they felt obliged to provide violence for the titillation of the audience but that the real nature of violence was so emasculated in the censorship process that the audience

was given a very fanciful and antiseptic idea of what a real shooting and beating meant in human suffering. The danger lay not in showing violence but in giving a less-than-true picture of its horror.

In sum, the creative and production processes are highly conditioned by what a network assumes will be attractive to a mass audience, by what a producer thinks the network will assume to be attractive, and by what a writer thinks a producer thinks will be attractive. Since all of this is predicated on individual or corporate financial success the problems attendant with generating true differences, when the risk could be total loss and success a marginal advantage, preclude much real change. If violent content is a successful format, or is so perceived, there is a built-in economic inertia to perpetuate these formats. Although the networks maintain their own discipline, this is marked by a rampant schizophrenia between what they require and what they proscribe. For the independent producer or the writer an intricate game develops of obeying the letter of the standards while defying the apparent spirit of them.

b) Family Hour

The concern about violence and fear of possible government intervention were major factors in the development of the "family hour" concept in the spring of 1975. The National Association of Broadcasters came to a relatively informal understanding that the period from 7:00 p.m. to 9:00 p.m. would be free of the typical violence found in police/detective programs. It was violence and not sex that spawned the concept of "family viewing". Since then, the time periods 9:00 p.m. and 10:00 p.m. have become the "violent hours". Such programs as *Starsky and Hutch*, *Kojak*, *Streets of San Francisco*, as well as movies frequently of the violent kind like *Death Wish* and *Walking Tall* (Parts I and II) are designed for "mature audiences", and the network advises "parental discretion" concerning viewing by children.

This industry self-regulation was not universally applauded. A number of economic and libertarian issues were at stake. The independent television stations regarded it as an unfair sanction against their syndicated use of earlier network programs, by restricting them to exposure in late prime-time. The independent producers for the same reasons felt their later marketing and profits also would be very restricted, e.g. Norman Lear's *All In The Family* would have had many episodes ruled "not-suitable-for-family-viewing" and relegated to after 9:00 p.m. This would have had a very adverse effect on later syndication. Suit was brought by Lear, the Directors Guild, and the Writers Guild to have the policy set down. Essentially three issues were raised. The policy was a First Amendment infringement, since the FCC (the government) was heavily involved – so much so it was claimed that the industry had acted in fear of actual regulation and thus this was in effect a government regulation. Secondly, no public hearings

had been held, which would have been necessary had the FCC been contemplating such a regulation. Thirdly, the family viewing hour represented industry collusion and therefore violated anti-trust laws. In November (1976) a federal court found the policy unconstitutional with respect to points one and two and so it was not necessary to test the more complicated anti-trust aspect.¹⁶ (In Canada such industry self-regulation would probably stand, e.g. children's advertising having CRTC endorsement and the implicit force of regulation.)

The policy had led to some squabbles between the networks. CBS claimed *Baa Baa Black Sheep* (8:00 p.m., NBC) violated the code and was taking an unfair advantage. This perception of the power of violence to attract shares of audiences was best exemplified when CBS president Arthur Taylor testified at the federal trial that it was absolutely necessary for the networks to collaborate in the establishment of a family viewing hour because for *one network to cut out violence without the cooperation of others could be disastrous* (emphasis ours). He cited an earlier example when CBS, in 1973, took the lead in cutting violence from Saturday-morning programming, only to find that the programs ended up on private stations and the audiences followed. As a result, CBS revenues from Saturday-morning programming fell drastically.

c) Program Strategy

The programmer's perception of the audience seems to assume that action and conflict are vital. In the absence of rigorous studies, it appears safe and obvious to point out that the opening minute and opening formats contain what the programmer feels will most induce the audience to stay tuned. The same observation could be made of promotional announcements used to attract the audience in the first place. These are usually capsules of the content of the program and thus are revealing evidences of the values which the networks attach to the programs. With respect to the action/adventure-police/detective shows, the ratio of violent incidents to elapsed time in these introductory and promotional messages appears much higher than in the program itself – a distillation of the conflict and violence without any redeeming context or resolution. Very simply, the networks must believe that this technique is economically effective (i.e. gathers and holds an audience), since it could be easily modified if proved inefficient. This approach then typifies the expectations of the mass viewer. Meanwhile it proliferates the actual amount of violent content on the airwaves, and conditions the audience to believe that this is the substance of "good" programs.

Les Brown, *New York Times* television correspondent, offered a military analogy for network program strategy. He described the networks as perpetually at war, involved in a new campaign with each new season, each time-period as a battle-field: "Programs are the weaponry, violence is heavy ammunition, brutality is dynamite," and the prize is, of course, the

share of the audience pie to offer advertisers. U.S. network television is counter-programmed – a program is scheduled to harm its time-slot opponents. Theatre, cabaret and movie smash hits serve to attract audiences to all offerings in their respective circuits. Only in television with its limited potential audience does a successful show demolish rather than feed its opponents.¹⁷

d) Production Techniques

As noted earlier there is no evidence that the production costs of programs with violent content are less than those of other formats, and there is some evidence to the contrary. Also noted, there is some evidence that the violence format is “safer” and contains more residual values after initial exposures.

The hierarchy of production costs may be categorized from most-expensive to least, in production techniques as follows:

- i) Single film camera – involving many scenes occasioning a number of set-ups and re-lighting for each set-up in the scene, e.g. police/detective, action/adventure, comedies like *Holmes and Yoyo*
- ii) Multiple film cameras – various angles simultaneously filmed under a basic lighting in a few basic sets – MTM comedies.
- iii) Multiple television cameras – various angles cut in real time under a basic lighting in few basic sets, – Lear comedies (Tandem and TAT).

In terms of studio sets or location-shooting an original studio set is by far the more expensive; however, if it can be pro-rated over an entire series then it becomes much cheaper than location-shooting. The impact of this is to mitigate against speculative pilots which involve extensive building of new sets or even assembling parts in a sound stage, and favours location-shooting typical of action/adventure. The comedies achieve economies through multiple-camera techniques and permanent sets but are notable for high talent costs if successful and little residual value if not preeminently successful.

A considerable area of production falls into the category of Movies of the Week, although this has been declining in the last year or two. A standard and style of production has developed for longer narratives of a non-continuing basis at costs somewhat similar per half-hour to other television formats. Although not marketable as movies in North America or Europe they have subsequent theatrical value in the Third World. Film techniques are modified for television, e.g. use of close-ups, few basic locations, linear plots, movement as opposed to character development, et cetera. These are often designed to be a self-liquidating pilot for a possible future series. This implies that the limitations on the content of this genre heavily influence the shape of future series by being a major source of pre-testing information. Since the genre is characterized by action/adventure or police/ detective it can be a self-fulfilling prophecy of audience tastes for future series.

e) Violent Programs and Advertisers

Recently, it appears that television program sponsors and advertisers have also become more conscious of the degree of violence in television programs and the possible effects of audience reaction to their products. One of the largest advertising agencies in the U.S., the J. Walter Thompson Co., reported in June 1976 that a survey conducted for the company indicated that many television viewers were turning off violent television programs and might also be rejecting the products advertised on those programs.¹⁸ The survey also indicated that parents tried to prevent their children from watching programs they believed were excessively violent. The president of the company stated that concern over the possible effects of violence on viewers' attitude to sponsors' products has led his agency to counsel its clients “to evaluate the potential negatives of placing commercials in programming perceived as violent.”¹⁹ It has been reported that General Foods has stopped sponsoring violent programs.²⁰

The Canadian J. Walter Thompson Co. report was not available at the time of writing. We were told that viewers in Canada reported stronger feelings against violence in television than those in the U.S., but that the difference was probably due to the nature of the questionnaire, which in Canada suggested the topic of violence while the U.S. questionnaire provided no such guidance to responses. We were informed that the studies gave no direct evidence that commercial messages placed in violent programs were any less efficient than in other content, i.e. that the degree of emotional stimulation or involvement in the program didn't seem to weaken the impact of the commercial.

However, the JWT studies did seem to indicate that in the most educated and higher socio-economic groups there were signs of antagonism to violent content, possibly sufficient to influence purchasing decisions. This might be interpreted as an economic argument to clients merchandising “high ticket” items, e.g. new cars and appliances, to avoid this content.

Without reference to the actual studies, we were told that the overall tenor was one of a “densitization” in society. This suggested that ever-increasing stimulation was necessary to make an equivalent impact. It also suggested that a certain dishomogenization of society was taking place with a resultant emphasis on individual needs and wants. An advertiser might be well advised to pitch his message directly to an individual's own selfishness and self-gratification rather than to an individual's desire to please others or his sense of group belonging. (A cosmetic not “to please the men in your life” but a cosmetic which “causes the men in your life to please you.”)

Among the sponsors who have stated that they would not show commercials on violent programs are General Foods, Best Foods, Samsonite, Proctor and Gamble, McDonald's, Hunt-Wesson, Pfizer, Toyota, Ralston Purina, Clorox, Johnson and Johnson, Gillette, Bristol-

Myers, Kraft, and General Mills. Some of these companies have formal anti-violence policies while others indicated to their advertising agencies what kinds of programs are to be avoided.²¹ It would appear that recently companies have been giving their agencies more formal guidelines on this matter. While some maintain that there is a definite trend of sponsor disfavour with violence programs, others argue that various sponsors (about 15 per cent) have always had reservations about violence and the proportion of sponsors falling into this category has not changed.²²

Various groups in the U.S. have been leading an assault on violence in television and have directed their complaints to the sponsors of such programs. During 1976 the American Medical Association approved a resolution condemning crime and violence in television programs and called on its members and families to oppose products and services sponsoring such programs. The National Association for Better Broadcasting, a media activist group, has been approaching advertisers with complaints about their support of various programs. And still another group, the National Citizens Committee for Broadcasting has been engaged in ranking network programs on the basis of violence and publicizing the names of companies sponsoring them.

Further evidence of advertisers taking into consideration possible negative effects of violence when placing their commercials comes from the Canadian scene. CITY-TV recently reported that large advertisers have been reluctant to have their commercials used on the program *The Quest*, a western shown on CITY in the same time slot as on NBC. This program was ranked by the National Citizens Committee for Broadcasting as the most violent of the programs shown on the U.S. networks in the 1976-77 season. (It has recently been cancelled.) However, CITY also reported that some local retailers found that the program delivered the audiences they desired.²³

B. Canadian Television Programming, Program Production and Audiences

1. Factors Influencing Canadian Programming

As in the U.S. case, the oligopoly nature of Canadian television is obvious, with only two major networks, one relatively small network, and several independent stations. In addition, the Canadian networks face competition from U.S. networks and stations, particularly in the border areas and areas served by cable, and this tends to fragment the small Canadian audience.

There is no question that a major determinant of Canadian programming is U.S. programming, with the two countries practically constituting a common market for U.S. television programming. Canadian networks are to a large degree constrained by what is shown by U.S. television and will not deviate significantly from that format or those program-types. American and Canadian viewer tastes and television habits are very

similar and for a Canadian station to deviate significantly in a common-coverage area would likely mean a loss of audience.

The cost constraint is also a major factor in Canadian television programming. Canadian television networks and stations rely heavily on foreign productions, particularly from the U.S., which can be obtained at only a fraction of the cost of Canadian productions. As shown in Tables 3-11 and 3-12, certain U.S. productions, particularly situation-comedies such as *All in the Family*, *Rhoda*, *Chico and the Man*, can be obtained for \$2,000 for a half-hour episode. Movies can be obtained for \$8,000 and police/detective, action/adventure and drama programs such as *The Streets of San Francisco*, *Kojak*, *The Waltons*, *Medical Center*, and *Marcus Welby*, can be purchased for \$4,000 for each one-hour episode. In comparison, Canadian productions are very expensive. Samples of police/detective and action/adventure are *Police Surgeon* – \$65,000 – and *Swiss Family Robinson* – \$65,000. The cost of such productions is approximately \$2,000 per minute. Musical variety programs and documentaries are less costly to produce (approximately \$500 per minute) but still cost the networks considerably more than the purchase of U.S. productions. Examples are: *Irish Rovers* – \$15,000; *Pig'n Whistle* – \$15,000; *Ombudsman* – \$15,000; *W5* – \$30,000; *Newsmagazine* – \$15,000.

In addition to being less costly to Canadian networks, U.S. programs are generally viewed by a larger Canadian audience (as shown above and noted in Table 3-13), and produce considerably more gross revenue per half-hour or one-hour programs. As illustrated in Table 3-13, of CTV's showings in the 1974-75 season, Canadian productions in prime-time accounted for approximately 42.5 per cent of total program costs but yielded only 23 per cent of revenue while U.S. productions in prime-time accounted for 12.8 per cent of total costs but constituted 49 per cent of total revenues. Revenue comparisons are also shown in Tables 3-11 and 3-12. Examples of revenue produced by U.S. police/detective productions are: *Cannon* – \$48,000; *Police Story* – \$48,000; *Streets of San Francisco* – \$46,000 (per one-hour episode). In contrast, Canadian-produced police/detective programs of a similar type such as *Police Surgeon* produced \$16,000 for a half-hour episode. A comparison of musical variety programs is more favourable to Canadian productions. For example, a one-hour *Carol Burnett* program brought \$48,000 in revenue. Canadian productions, such as *Tommy Hunter*, *Irish Rovers*, and *Stompin' Tom's Canada* yielded an equivalent amount per minute. However, *Carol Burnett* cost the CBC network only \$4,000 in comparison to \$30,000 for the Canadian counterparts (\$15,000 for a half-hour program). In terms of net revenue, it is considerably more profitable to show U.S. productions than Canadian productions on Canadian networks.

The CTV and Global Television presentations at the

Table 3-11

CBC Network Prime-time Schedule (Winter 1975)

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
7:00	Local	Local	Local	Local	Local	Local	<i>Beachcombers*</i> \$ 24,000 65,000 -41,000
7:30	Local	<i>Black Beauty</i>	<i>Time Machine*</i>	<i>House of Pride*</i>	<i>Howie Meeker*</i> <i>Mr. Chips</i>	<i>Maude</i>	<i>Irish Rovers*</i>
		\$ 24,000 2,000 + 22,000	\$ 24,000 15,000 + 9,000	\$ 24,000 30,000 -6,000	\$ 24,000 20,000 + 4,000	\$ 24,000 2,000 + 22,000	\$ 24,000 15,000 + 9,000
8:00	<i>Mary Tyler Moore</i>	<i>Happy Days</i>	<i>Nature of Things*</i> <i>This Land</i>	<i>Carol Burnett</i>	<i>All in the Family</i>	<i>Hockey Night in Canada*</i> <i>The Pallisers</i>	<i>The Waltons</i>
	\$ 24,000 2,000 + 22,000	\$ 24,000 2,000 + 22,000	\$ 24,000 15,000 + 9,000	\$ 48,000 4,000 + 44,000	\$124,000 2,000 + 22,000		\$ 48,000 4,000 + 44,000
8:30	<i>This is the Law*</i>	<i>Police Story*</i>	<i>Musicamera*</i>		<i>M*A*S*H</i>		
	\$ 24,000 8,500 + 15,500	\$ 48,000 4,000 + 44,000	\$ 48,000 40,000 + 8,000		\$ 24,000 2,000 + 22,000		
9:00	<i>Cannon</i>			<i>Stompin Tom's Canada*</i>	<i>Tommy Hunter*</i>		<i>Sam Adams Collaborators*</i> <i>Anthology Drama Performance</i>
	\$ 48,000 4,000 + 44,000			\$ 24,000 15,000 + 9,000	\$ 48,000 30,000 + 18,000		\$ 48,000 120,000 -72,000
9:30		<i>Front Page Challenge*</i>	<i>Third* Testament/ Specials</i>	<i>Chico and the Man</i>			
		\$ 24,000 8,500 + 15,500	\$ 48,000 40,000 + 8,000	\$ 24,000 2,000 + 22,000			
10:00	<i>Naked Mind*</i> <i>Middle Age Old Timers</i>	<i>Up Canada*</i>		<i>Adrienne at Large*</i>	<i>Rhoda</i>		<i>Marketplace Documentary*</i>
	\$ 9,500 15,000 - 5,500	\$ 9,500 15,000 - 5,500		\$ 9,500 15,000 - 5,500	\$ 24,000 2,000 + 22,000		\$ 9,500 15,000 - 5,500

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
10:30	<i>People of Our Time/ Man Alive*</i>	<i>News-magazine*</i>	<i>First Person Singular/ Pacific Canada*</i>	<i>Some Honourable Members*</i>	<i>Man About the House/ Gallery</i>		<i>Ombudsman*</i>
	\$ 8,500	\$ 8,500	\$ 8,500	\$ 8,500	\$ 20,500		\$ 8,500
	15,000	15,000	20,000	15,000	2,000		15,000
	- 6,500	- 6,500	-11,500	- 6,500	+ 18,500		- 6,500

Source: CRTC Document *Canadian productions Revenue-Costs = Margin per program

Table 3-12

CTV Network Prime-time Schedule (Winter 1975)

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
7:00	<i>Ian Tyson*</i>	<i>Headline Hunters*</i>	<i>That's My Mama</i>	<i>Funny Farm*</i>	<i>Swiss Family Robinson*</i>	<i>Emergency</i>	<i>Born Free</i>
	\$ 16,000	\$ 16,000	\$ 23,000	\$ 16,000	\$ 16,000	\$ 46,000	\$ 46,000
	15,000	8,500	2,000	15,000	65,000	4,000	4,000
	+ 1,000	+ 7,500	+ 21,000	+ 1,000	-49,000	+ 42,000	+ 42,000
7:30	<i>Six Million Dollar Man</i>	<i>Tuesday Night Movie</i>	<i>Local</i>	<i>Excuse My French*</i>	<i>The Rookies</i>		
	\$ 46,000	\$ 79,000		\$ 16,000	\$ 46,000		
	4,000	6,000		30,000	4,000		
	+ 42,000	+ 73,000		-14,000	+ 42,000		
8:00			<i>Hockey* Movies</i>	<i>Kung Fu</i>		<i>Academy Performance</i>	<i>Kojak</i>
				\$ 46,000		\$ 92,000	\$ 46,000
				4,000		12,500	4,000
				+ 42,000		+ 79,500	+ 42,000
8:30	<i>Streets of San Francisco</i>				<i>Adam 12</i>		
	\$ 46,000				\$ 23,000		
	4,000				2,000		
	+ 42,000				+ 21,000		
9:00		<i>Marcus Welby</i>		<i>Police Surgeon*</i>	<i>Friday Mystery Movie</i>		<i>Medical Center</i>
		\$ 46,000		\$ 16,000	\$ 92,000		\$ 46,000
		4,000		65,000	8,000		4,000
		+ 42,000		-49,000	+ 84,000		+ 42,000
9:30	<i>Pig'n Whistle*</i>			<i>Maclear*</i>			
	\$ 16,000			\$ 16,000			
	15,000			15,000			
	+ 1,000			+ 1,000			

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
10:00	<i>Ironside</i> \$ 46,000 4,000 + 42,000	<i>Harry O</i> \$ 46,000 4,000 + 42,000		<i>Nakia</i> \$ 46,000 4,000 + 42,000		<i>Local</i>	<i>W5*</i> \$ 32,000 30,000 + 2,000
10:30			<i>Banjo Parlour*</i> \$ 16,000 15,000 + 1,000			<i>Local</i>	

Source: CRTC Document *Canadian Productions Revenue-Costs = Margin per program

Table 3-13

CTV Television Network Ltd.
Network Sales Time Programs—1974/75 Season (Excluding Specials)

	St. Hshlds. Per Avg. Hr. (000's)	CPM Using 52 Time 30/30 Rate	Yearly Program Costs (\$000)	% of Total Program Costs	Bookings as of Aug. 31, 1975 (\$000)	% of Total Bookings	Net (\$000)
Canadian Prime							
<i>Excuse My French</i>	610	5.46	\$ 780.0	6.8	\$ 574.3	2.4	(205.7)
<i>Funny Farm</i>	715	4.67	494.0	4.3	531.8	2.2	37.8
<i>Headline Hunters</i>	620	5.37	218.4	1.9	598.2	2.5	379.8
<i>Maclear</i>	803	4.15	513.0	4.5	598.4	2.5	85.4
<i>Pig'n Whistle</i>	734	4.54	431.6	3.8	598.3	2.5	166.7
<i>Police Surgeon</i>	830	4.01	520.0	4.5	591.0	2.5	71.0
<i>Swiss Family Robinson</i>	784	4.25	390.0	3.4	586.8	2.5	196.8
<i>Ian Tyson</i>	652	5.11	463.5	4.1	602.3	2.5	138.8
<i>W-5</i>	487	6.84	1,050.1	9.2	843.4	3.6	(206.7)
			\$ 4,860.6	42.5	\$ 5,524.5	23.2	663.9
Foreign Prime							
<i>Emergency</i>	879	5.43	\$ 192.4	1.7	\$ 1,641.1	6.9	1,448.7
<i>Harry-O/Tony Orlando/Cher</i>	1,003	4.76	216.2	1.9	1,665.6	7.0	1,449.4
<i>Ironside/Archer/Sweeney</i>	805	5.93	184.5	1.6	1,715.2	7.2	1,530.7
<i>Kojak</i>	1,055	4.52	212.0	1.9	1,760.9	7.4	1,548.9
<i>Mystery Movie</i>	827	5.77	378.0	3.3	3,291.7	13.8	2,913.7
<i>Marcus Welby</i>	754	6.33	231.4	2.0	1,650.5	7.0	1,419.1
			\$ 1,414.5	12.4	\$11,725.0	49.3	10,310.5
Off Prime							
<i>News</i>	460	4.70	\$ 2,151.5	18.8	\$ 1,740.3	7.3	(411.2)
<i>Canada A.M.</i>			1,177.4	10.3	371.5	1.5	(805.9)
<i>Untamed World</i>	456	3.75	260.0	2.3	313.4	1.3	53.4
<i>Wide World of Sports</i>	378	4.52	255.4	2.2	750.8	3.2	495.4
<i>Daytime</i>	563	1.60	1,192.8	10.4	2,640.9	11.1	1,448.1
			\$ 5,037.1	44.0	\$ 5,816.9	24.4	779.8
<i>Backgrounder</i>			\$ 122.3	1.1	\$ 728.3	3.1	606.0
			\$11,434.5	100.0	\$23,794.7	100.0	12,360.2

Source: CTV Television Network presentation at the CRTC Hearings, Ottawa, Nov. 4, 1975.

Table 3-14*Global Television Network**Financial Statement on Independent Canadian Productions 1974-75 Season*

Program	Season or Showing	Audience	Cost \$	Revenue \$	Net \$
<i>Braden Beat</i>	One hour	82,800	17,000	4,032	
<i>Witness to Yesterday</i>	30 minutes	104,600 (Mar/74)	7,100	—	
<i>World of Wicks</i>	Sept/74–Aug/75	—	136,000	9,469	(126,531)
<i>Wildlife Cinema</i>	Sept/74–Aug/75	—	126,000	15,694	(110,306)
<i>My Country</i>	Sept/74–Aug/75	—	81,000	26,244	(54,756)
<i>Shh! It's The News</i>	Sept/74–Aug/75	145,000 (Mar/75)	272,000	132,294	(139,706)
<i>The Great Debate</i>	—	—	263,560	213,594	(49,966)
<i>Total Independent Canadian Productions</i>	—	—	1,349,554	430,177	(919,377)

Source: Global Television Network presentation at the CRTC Hearing, Ottawa, November 5, 1975.

recent CRTC hearings illustrated the problem with Canadian productions. Of the programs used as examples by Global and illustrated in Table 3-14, not one showed a profit for the network. Such statistics were presented by Global and CTV to support their argument that, in the words of the president of CTV, "domestic programs are not self-sustaining" and that "without relatively economic foreign sources of programming to generate surplus revenue, we couldn't sustain our present level of Canadian production."²⁴ It would appear that to a large extent, it is only Canadian-content legislation which prevents a private network such as CTV from relying almost completely on American programs, except for such items as the news or sports. The publicly-supported CBC, on the other hand, without this legislation would likely continue to offer some Canadian-produced programs or risk losing its public financial support.

CRTC regulations currently restrict non-Canadian programming to 40 per cent of broadcast time between the hours of 6:00 a.m. and midnight. This also applies to a public network or station for the hours of 6:00 p.m. and midnight, while a private network or station is restricted to 50 per cent non-Canadian programming for the hours of 6:00 p.m. to midnight.

This reliance on foreign television programs to, in a sense, subsidize the production and showing of domestic programs, is not unique to Canada. It is also true of British television and most European television, as evident from the following:

... the low purchase price of old films and mass audience television series helps to cross-finance home produced series, arts programs, modern drama, and cultural production in general [in Britain]. It is a strategy employed in one form or another by most European television networks; although the smaller, poorer networks are obviously more dependent on bought programs – particularly in the field of entertainment – than the richer ones.

Arts programs and drama are produced at between ten and fourteen times the cost per viewer hour of purchased programs.²⁵

2. Characteristics of Network Programming

Some of the features of Canadian network programming (CBC and CTV) can be observed from Tables 3-15 to 3-19. Using the methods outlined earlier, diversity and homogeneity indicators were calculated for the two seasons 1975 and 1976. The diversity indicator, measuring the extent to which prime-time (8:00 p.m. to 11:00 p.m., 7:00 p.m. to 11:00 p.m. on Sunday) is dominated by a few program-types was lower for CTV in both seasons, showing that CTV had less diversity in its schedules than CBC. As can be observed in Tables 3-17 and 3-18, two categories of programs, police/detective and movies, dominated prime-time in CTV in 1975, representing 31.6 per cent and 21.1 per cent of prime-time hours respectively, for a combined total of 52.7 per cent. In 1976, police/detective (31.6 per cent), combined with action/adventure (21.1 per cent) to again constitute 52.7 per cent of prime-time. All of these programs were American. The two most important program categories in CBC in both seasons were situation-comedy and documentary/public-affairs/ education. Each category absorbed 10.5 per cent of prime-time in 1975 and 23.8 per cent in 1976. In both seasons, the combined networks in Canada were more diverse than the combined U.S. networks.

A homogeneity indicator, measuring the extent to which the contents of the network schedules resemble one another, was also calculated for each season and is shown in Tables 3-17 and 3-18. The indicators are relatively high at 95.5 for 1975 and 120.8 for 1976. The primary distinctions between the schedules of CBC and

Table 3-15

CBC and CTV Network Prime-time Programming: Early Fall 1975
 Series Title, Rating, and Program Classification

CBC				CTV			
Day	Hour	Series Title	Rating ^a	Program Class	Series Title	Rating	Program Class
Monday	8:00	* <i>Rhoda</i>	14	Sitcom	* <i>Invisible Man</i>	14	Ac/Ad
	8:30	<i>Front Page Challenge</i>	11	Quiz			
	9:00	* <i>All in the Family</i>	20	Sitcom	* <i>Petrocelli</i>	10	Pol/Det
	9:30	* <i>Chico and The Man</i>	13	Sitcom			
	10:00	<i>New Wave</i>	5	Doc/Pub. Aff/Ed	<i>Grand Old Country</i>	7	Variety
	10:30	<i>People of Our Time</i>	3	Doc/Pub. Aff/Ed	<i>Pig'n Whistle</i>	5	Variety
Tuesday	8:00	* <i>Happy Days</i>		Sitcom	* <i>Good Times</i>	11	Sitcom
	8:30	<i>This is the Law</i>	9	Quiz	<i>John Allen Cameron</i>	6	Variety
	9:00	<i>fifth estate</i>	6	Doc/Pub. Aff.	* <i>The Rookies</i>	11	Pol/Det
	9:30						
	10:00	* <i>Doctors Hospital</i>	6	Drama	<i>Local</i>		
	10:30						
Wednesday	8:00	<i>Baseball/Football</i>	5	Sports	* <i>Joe Forrester</i>	8	Pol/Det
	8:30						
	9:00				<i>CFL Football</i>		Sports
	9:30				* <i>(Harry-O)</i> ^b	(9)	(Pol/Det)
	10:00						
	10:30						
Thursday	8:00	* <i>Carol Burnett</i>	13	Variety	* <i>Fay</i>	7	Sitcom.
	8:30				* <i>Streets of San Francisco</i>	10	Pol/Det
	9:00	<i>King of Kensington</i>	8	Sitcom.			
	9:30	<i>Local</i>			<i>Maclear</i>	6	Doc/Pub. Aff/Ed
	10:00	<i>Local</i>			<i>Local</i>		
	10:30						
Friday	8:00	* <i>Mary Tyler Moore</i>	13	Sitcom	* <i>Friday Mystery Movie</i>	12	Movie
	8:30	* <i>M*A*S*H</i>	15	Sitcom			
	9:00	<i>Touch the Earth</i>	5	Variety			
	9:30						
	10:00	<i>Local</i>			* <i>Switch</i>	8	Pol/Det
	10:30						
Saturday	8:00	<i>All Around the Circle</i>	5	Variety	* <i>Academy Performance</i>	12	Movie
	8:30	<i>Billy Liar</i>	4	Sitcom			
	9:00	<i>Sinners</i>	3	Drama			
	9:30						
	10:00	<i>Gallery</i>	3	Doc/Pub. Aff/Ed	<i>Local</i>		
	10:30	<i>To See Ourselves</i>	3	Doc/Pub. Aff/Ed			

Day	Hour	CBC		Program Class	CTV		
		Series Title	Rating ^a		Series Title	Rating	Program Class
Sunday	7:00	<i>Beachcombers</i>	11	Ac/Ad	<i>*Six Million Dollar Man</i>	15	Ac/Ad
	8:00	<i>*Waltons</i>	11	Ac/Ad	<i>*Cher</i>	12	Variety
	8:30						
	9:00	<i>Sidestreet</i>	6	Pol/Det	<i>*Kojak</i>	12	Pol/Det
	9:30						
	10:00	<i>Marketplace</i>	8	Doc/Pub. Aff/Ed	<i>W-5</i>	5	Doc/Pub. Aff.
	10:30	<i>Ombudsman</i>	7	Doc/Pub. Aff/Ed			

^aAll Persons 2+ (Common Coverage Area) ^bShown if no football scheduled

*U.S. or other foreign

Source: BBM Television Network Report, Early Fall 1975

Table 3-16

CBC and CTV Network Prime-time Programming: Early Fall 1976
Series Title, Rating and Program Classification

Day	Hour	CBC		Program Class	CTV		
		Series Title	Rating ^a		Series Title	Rating ^a	Program Class
Monday	8:00	<i>*Rhoda</i>	13	Sitcom	<i>*Waltons</i>	10	Ac/Ad
	8:30	<i>Phyllis</i>	12	Sitcom			
	9:00	<i>Front Page Challenge</i>	12	Quiz	<i>Pig'n Whistle</i>	6	Variety
	9:30	<i>*All in the Family</i>	15	Sitcom	<i>*One Day at a Time</i>	9	Sitcom
	10:00	<i>CBC Newsmagazine</i>	5	Doc/Pub. Aff/Ed	<i>*Streets of San Francisco</i>	12	Pol/Det
	10:30	<i>Man Alive</i>	4	Doc/Pub. Aff/Ed			
Tuesday	8:00	<i>*Happy Days</i>	17	Sitcom	<i>*Bionic Woman</i>	16	Ac/Ad
	8:30	<i>King of Kensington</i>	8	Sitcom			
	9:00	<i>*M*A*S*H</i>	15	Sitcom	<i>*The Practice</i>	7	Sitcom
	9:30	<i>fifth estate</i>	7	Doc/Pub. Aff/Ed	<i>Julie</i>	4	Variety
	10:00				<i>*Switch</i>	9	Pol/Det
	10:30	<i>*Barney Miller</i>	5	Sitcom			
Wednesday	8:00	<i>New Wave</i>	4	Doc/Pub. Aff/Ed	<i>Local</i>		
	8:30	<i>One Canadian</i>	4	Doc/Pub. Aff/Ed			
	9:00	<i>Front Row Centre</i>	4	Drama			
	9:30						
	10:00						
	10:30	<i>Royal Suite</i>	3	Drama			
Thursday	8:00	<i>*Carol Burnett</i>	12	Variety	<i>*Gemini Man</i>	12	Ac/Ad
	8:30						
	9:00	<i>Quiet Olympics</i>	3	Doc/Pub. Aff/Ed	<i>*Nancy Walker Show</i>	8	Sitcom
	9:30				<i>Maclear</i>	5	Doc./Pub. Aff/Ed
	10:00	<i>*Upstairs—Downstairs</i>	4	Drama	<i>*Delvecchio</i>	6	Pol/Det
	10:30						

CBC					CTV		
Day	Hour	Series Title	Rating ^a	Program Class	Series Title	Rating ^a	Program Class
Friday	8:00	<i>*Mary Tyler Moore</i>	11	Sitcom	<i>*Donny & Marie</i>	13	Variety
	8:30	<i>*Chico and The Man</i>	10	Sitcom			
	9:00	<i>Tommy Hunter</i>	8	Variety	<i>*Rockford Files</i>	9	Pol/Det
	9:30				<i>*Serpico</i>	7	Pol/Det
	10:00	<i>Local</i>					
Saturday	10:30						
	8:00	<i>Hockey Night in Canada</i>	13	Sports	<i>*Academy Performance</i>	8	Movie
	8:30						
	9:00						
	9:30						
Sunday	10:00						
	10:30	<i>Stay Tuned</i>	5	Variety			
	7:00	<i>Beachcombers</i>	11	Ac/Ad	<i>*Six Million Dollar Man</i>	15	Ac/Ad
	7:30	<i>Super Special</i>	4	Variety	<i>*Sonny & Cher</i>	14	Variety
	8:00				<i>*Kojak</i>	11	Pol/Det
	8:30	<i>*Tony Randall</i>	7	Sitcom			
	9:00	<i>Sidestreet</i>	4	Pol/Det	<i>W-5</i>	5	Doc/Pub, Aff/Ed
	9:30						
	10:00	<i>Flight</i>	4	Doc/Pub Aff/Ed			
	10:30						

^aAll persons 2+ (Common Coverage Area)

*U.S. or other foreign

Source: BBM Television Network Report, Early Fall 1976

Table 3-17

CBC and CTV Network Prime-time Programming: Early Fall 1975
Hours and Proportion of Programming by Class

Program Class	CBC		CTV		Combined Networks	
	Hours	%	Hours	%	Hours	%
Police/Detective	1	5.1	6	31.6 ^a	7	18.2
Situation Comedy	4	20.5	1	5.3	5	13.0
Action/Adventure	2	10.3	2	10.5	4	10.4
Drama	2	10.3	—	—	2	5.2
Quiz	1	5.1	—	—	1	2.6
Documentary/Public Affairs/Education	4	20.5	1.5	7.9	5.5	14.3
Sports	3	15.4	2	10.5	5	13.0
Variety	2.5	12.8	2.5	13.2	5	13.0
Movie	—	—	4	21.1	4	10.4
Total	19.5	100.0	19	100.0	38.5	100.0
Diversity Indicator (Possible range 0-66.6)	43.6		34.1		54.5	
Homogeneity Indicator (Possible range 0-200)						95.5

Note: A. Prime time is defined as 8:00 p.m. to 11:00 p.m. Monday through Saturday and 7:00 p.m. to 11:00 p.m. Sunday. This permits comparisons with U.S. network statistics and more accurately reflects the "prime" viewing hours than 6:00 p.m. to midnight.

B. "Local" time periods are not attributed.

Source: Tables 3-15 and 3-16.

Table 3-18

CBC and CTV Network Prime-time Programming: Early Fall 1976
Hours and Proportion of Programming by Class

Program Class	CBC		CTV		Combined Networks	
	Hours	%	Hours	%	Hours	%
Police/Detective	1	4.8	6	31.6	7	17.5
Situation Comedy	5	23.8	1.5	7.9	6.5	16.3
Action/Adventure	1	4.8	4	21.1	5	12.5
Drama	3	14.3	—	—	3	7.5
Quiz	.5	2.4	—	—	.5	1.2
Documentary/Public Affairs/Education	5	23.8	1.5	7.9	6.5	16.3
Sports	2.5	11.9	—	—	2.5	6.3
Variety	3	14.3	3	15.8	6	15.0
Movie	—	—	3	15.8	3	7.5
Total	21	100.0	19	100.0	40	100.0
Diversity Indicator (Possible range 0-66.6)		38.8		31.5		49.9
Homogeneity Indicator (Possible range 0-200)						120.8

Note: A. Prime time is defined as 8:00 p.m. to 11:00 p.m. Monday through Saturday and 7:00 p.m. to 11:00 p.m. Sunday. This permits comparisons with U.S. network statistics and more accurately reflects the "prime" viewing hours than 6:00 p.m. to midnight.

B. "Local" time periods are not attributed.

C. In the case of CTV (1976) Wednesday 8:00 p.m. to 11:00 p.m. is indicated as "local" during the BBM rating period. More frequently this period is devoted to Canadian sports which would reduce the overall prime-time foreign content to 63.43 per cent.

Source: Tables 3-15 and 3-16.

CTV in both seasons were the differences in the number of hours devoted to police/detective, situation-comedy, documentary/public-affairs/education, and movies. Taking 1976 as an example, police/detective absorbed 31.6 per cent of time for CTV, compared to only 4.8 per cent for CBC; situation-comedy 1.5 per cent for CTV, 23.8 per cent for CBC; documentary/public affairs/education: 7.9 per cent for CTV 23.8 per cent for CBC; and movies: 15.8 per cent for CTV, 0 for CBC. CTV devoted considerably more of its prime-time to the physical action/conflict type programs common on U.S. networks. Police/detective, action/adventure, and movies accounted for 63.2 per cent of CTV prime-time in 1975 and 68.5 per cent in 1976. In contrast, these three categories absorbed 15.4 per cent of CBC prime-time in 1975 and 8.8 per cent in 1976.

A comparison of the content of the prime-time schedules of CBC and CTV with each of the three U.S.

networks by the computation of homogeneity indicators shows that the CTV schedule has much greater similarity to the U.S. network schedules than does the CBC schedule. CTV, by stressing police/detective, action/adventure, and movies, more closely resembles NBC than either ABC or CBS.

It could be expected that CBC, heavily financed by parliamentary appropriations and not relying solely on advertising revenue, would not necessarily be bound by the constraints of the private networks and could more readily offer a greater diversity of programs and experiment with minority-interest programs. However, one has only to compare the Sunday prime-time schedules of CBC and CTV to find that these two networks do engage in pitting similar-type programs against one another. Examples have also been cited by CTV where the network has scheduled a particular program, such as a wild-life-adventure, only to be

quickly followed by a scheduling of a similar wildlife program by CBC in exactly the same time spot.²⁶

Another feature of Canadian network programming is the much greater reliance by CTV on U.S. programs in prime time as compared to CBC. In 1976, 86.8 per cent of CTV network prime-time programming was accounted for by U.S. (or other foreign) programs as compared to 31.0 per cent for CBC. (See Note C, Table 3-18.) CTV, however, surpassed CBC in the overall average rating (common-coverage area ratings based on the equivalent of one-half-hour programs) in 1976, with a rating of 9.4 in comparison to 7.9 for CBC.

Table 3-19 shows the average ratings by program category for prime-time programming by the combined networks in 1975 and 1976. In 1975, action/adventure was rated the highest, followed by situation comedy and movies. Police/detective ranked fifth. In 1976, again action/adventure was near the top, but police/detective ranked sixth. In both years drama and documentary/public-affairs/education were the two lowest rated program categories.

3. Production and Distribution of Canadian Television Programs

One of the differences in the operations of Canadian and U.S. networks is that Canadian networks tend to rely more heavily on "in-house" production of programs for prime-time. This tendency, plus the reliance on foreign programs, has left few time slots in network programming for the showing of programs produced by independent producers. One of the major complaints of independent producers is insufficient access to airtime on Canadian television networks and stations.²⁷ An examination of the prime-time schedules of the CBC and CTV networks for the winter of 1975 shows not one Canadian program which was not produced by the networks or by networks using the facilities of affiliate stations, although two, *Police Surgeon* and *Swiss Family Robinson* were co-productions with independents. In the 1975-76 season, out of a total of about 1,200 hours of original programming for the CTV network, six and a half hours were devoted to the work of independent Canadian producers, or .54 per cent. This was a drop from nine hours of original programming in the previous season. In 1973-74 the CBC incurred operating expenses of \$246.7 million of which six per cent or approximately \$15 million was spent on "film rights or commissioned productions." The amount spent on English-language television programming (network time periods and local station time periods - CBC produced) was \$85.1 million. In other words, of approximately \$100 million spent for television programming, \$15 million was paid for outside productions, including foreign programs.²⁸

Programs produced in Canada for television by independent producers are unlikely to make a profit from sales to the Canadian networks or stations. These programs, if they can find a market in Canadian

networks, are generally sold to the networks at only a fraction of the cost of production and must rely on subsequent sales, particularly in the foreign market, to cover the remaining costs and yield a profit.²⁹ Some independent producers have made attempts, with some success, to break into foreign markets other than the U.S., particularly Europe and Japan. Among the successful productions, some have been marketed in both Canada and abroad while others have been produced exclusively for the foreign market. In this latter area the content of the programs is very constrained, until recently being limited primarily to information programs or documentaries, and relatively few in number.

In essence, budget and market limitations restrict

Table 3-19

CBC and CTV Network Prime-time Programs by Category: Average Rating Early Fall 1975 and 1976

Program Category	1975	1976
Police/Detective	9.3	8.3
Situation/Comedy	12.3	10.5
Action/Adventure	12.8	12.8
Drama	4.5	3.8
Quiz	10.0	12.0
Documentary/Public Affairs/ Education	5.2	4.6
Sports	5.0	13.0
Variety	8.3	9.0
Movie	12.0	8.0

Source: Tables 3-15 and 3-16.

independent producers to such subjects as wildlife documentaries, educational or religious programs, talk shows, or musicals, all primarily for non-prime-time showing. In prime-time, even the Canadian networks make little attempt to compete for audiences with American stations in the production of physical action/conflict type programs of the *Cannon* and *Kojak* nature. The non-Canadian time permitted in evening hours is filled with American-produced programs made available at \$2,000 to \$4,000 per episode. The Canadian portion of broadcast time in this period is filled primarily with news programs, musicals, sports, and documentaries/public-affairs/education programs.

Table 3-20

National Advertiser Expenditure in Measured Media, 1975

	Investment	Share	Increase 1974	Increase 1973/74
Medium	(\$ million)	(%)	(%)	(%)
Television	261.3	48	14	15
Daily Newspapers	141.4	26	25	9
Radio	55.8	10	10	7
Consumer Magazines	50.2	9	8	22
<i>Weekend</i>	29.4	5	1	1
Farm	6.6	1	5	15
Total	544.7	100	14	13

Source: Television Basics 1976-77, TV Bureau of Canada

4. Television Programming and Advertising

American television programs shown on Canadian networks generally receive higher ratings than Canadian programs and consequently commercial time can be more readily sold to advertisers. This, combined with the low cost of acquiring U.S. programs, is of extreme importance to the Canadian television networks and stations which are not publicly funded, as was discussed earlier.

Beginning in the fall of 1976, the cost to an advertiser for 30 seconds of prime-time on the full English cbc television network was \$3,587 if he signed up at the rate of two commercials a week for 52 weeks. A similar commercial under similar conditions on the CTV network cost \$2,974. Statistics show that in Canada, television is the most popular medium for advertising, followed by daily newspapers, with radio a distant third. This is illustrated in Table 3-20.

Newspapers showed the greatest increase in advertising expenditure in 1975 from the 1974 level at 25 per cent, and they expect to continue to gain over the next few years.³⁰ Richard Thompson, director of sales for the Advertising Bureau of Canadian Daily Newspapers believes that television is in a "sold-out" position to major advertisers, and thus advertisers with relatively small budgets (\$300,000 to \$500,000), not being able to make a national impact with television campaigns, turn to the newspapers. The television industry, on the other hand, disputes this and does not expect any significant decline in its share of national advertising dollars.³¹

5. Characteristics of Canadian Television Audiences

According to recent Nielsen figures, the average *daily viewing per household* in Canada is five hours and 56 minutes; BBM figures indicate an average *weekly viewing per person* of 23 hours and 52 minutes; and the CBC calculated an average *daily viewing per adult* of about

four hours – and *weekly viewing times per person* are still increasing. The same numbers of people watch television daily, but more time is spent watching on Saturdays and Sundays than on weekdays. Children are attracted to "kid-vid" in the morning and early afternoon weekend periods. Adults watch more heavily in the afternoons and in the 6:00 to 9:00 p.m. period on Sundays, later on Saturdays. Prime-time programs not scheduled in these peak hours of heaviest viewer concentration generally receive lower ratings.³²

In 1973 the CBC published the results of a study it conducted on the patterns of television viewing in Canada. The findings showed that television viewing is an important leisure time activity, that age and occupation were determining factors, that women spent more time watching television than men, and that television viewing varies inversely with the level of education.³³ A study on leisure activity conducted at approximately the same time by the Secretary of State found similar viewing patterns. The findings of the Secretary of State are presented in Tables 3-21, 3-22 and 3-23.³⁴

Among the highlights of the television audience which can be observed from these tables are the following:

- People aged 14-34 formed 47 per cent of the total viewing audience; the group aged 14-44 constituted 64 per cent of the audience. The elderly (aged 65 and over) along with the young (aged 14-24) have the highest frequency of heavy viewing of all groups.
- The time spent watching television varies inversely with the level of education. Forty-seven per cent of those with less than Grade nine education were heavy viewers, compared to only 18 per cent of those who completed university.
- On the basis of occupation, the highest frequency of heavy television viewing was among housewives, followed closely by students and then the unemployed.

Table 3-21*Distribution of Television Audience and Frequency of Participation by Age Group*

Age	% of age group viewing television	Distribution of television viewing Age groups as % of total population 14 years and over viewing television				Frequency of television viewing % of age group		
		Light	Medium	Heavy	Total	Light	Medium	Heavy
14-19	96	16	20	18	18	28	31	41
20-24	95	10	10	11	11	31	29	41
25-34	96	18	18	18	18	31	29	40
35-44	95	19	17	14	17	36	31	34
45-64	94	28	25	25	26	33	29	38
65+	89	9	8	13	10	26	23	51
Total	94	-	-	-	-	32	29	40

*Source: Secretary of State, A Leisure Study — Canada 1972 (Ottawa, 1973)***Table 3-22***Distribution of Television Audience and Frequency of Participation by Education*

Education	% of educ. group viewing television	Distribution of television viewing Educ. groups as % of total population				Frequency of television viewing % of educ. group		
		Light	Medium	Heavy	Total	Light	Medium	Heavy
Under Grade 9	92	27	28	36	31	27	26	47
Secondary not complete	96	33	38	39	37	28	30	42
Secondary complete	96	17	17	15	16	33	31	36
Some post-secondary	95	15	12	8	11	41	30	29
University complete	93	8	6	2	5	51	31	18
Total	94	-	-	-	-	32	29	40

Source: Secretary of State, A Leisure Study — Canada 1972 (Ottawa, 1973)

Table 3-23

Distribution of Television Audience and Frequency of Participation by Occupational Group

Occupation	% of occup. group viewing television	Distribution of television viewing Occup. groups as % of total population 14 years and over viewing television				Frequency of television viewing % of occup. group		
		Light	Medium	Heavy	Total	Light	Medium	Heavy
Unemployed	93	2	1	2	2	32	26	41
Managerial	96	6	5	4	5	40	31	30
Professional	94	10	7	3	7	49	31	20
White collar	95	19	18	14	17	35	31	34
Blue collar & craftsmen	95	19	19	18	19	32	30	38
Resource industry workers	91	5	5	4	4	33	30	37
Housewives	94	20	23	29	24	26	27	48
Students & others	93	19	22	25	22	27	28	45
Total	94	—	—	—	—	32	29	40

Source: Secretary of State, *A Leisure Study — Canada 1972* (Ottawa, 1973)

Studies³⁵ suggest that a large majority of the Canadian population feels that the prime function of television is to provide entertainment, relaxation, escape and relief from the cares of life. Since regularly-programmed radio was first introduced, large numbers of Canadians have been exposed to U.S. mass media. With the advent of television this tendency increased, and cable further extended the range of American programming beyond the border areas. When Canadians look for relaxation with television, they

apparently look to American stations and programs. While U.S. television (channels or stations) is more popular than Canadian television, U.S. programs (shows) are even more popular than Canadian shows (Table 3-24, 3-25). The Canadian public sees American programs as better acted, more entertaining, more varied in subject and most significantly, more violent; Canadian programs are classified as more informative and more realistic (Table 3-26).

Table 3-24

Preferences of Canadians for American Television Stations by Age

	Age				Total
	Under 20	20-24	25-44	Over 44	
Canadian television	40%	38%	38%	42%	43%
American television	58	58	59	55	54
Did not state	2	4	3	3	3
	100%	100%	100%	100%	100%

Source: Canada. Senate, Special Committee on Mass Media, Vol. III, *Good, Bad or Simply Inevitable?* (Ottawa, 1970), p. 131.

Table 3-25

Preferences of Canadians for American Programs by Age

	Age				
	Under 20	20-24	25-44	Over 44	Total
Canadian Programs	30%	29%	32%	43%	35%
American Programs	68	67	64	51	60
Did not state	2	4	4	6	5
	100%	100%	100%	100%	100%

Source: Canada. Senate, Special Committee on Mass Media, Vol. III, *Good, Bad or Simply Inevitable?* (Ottawa, 1970), p. 131.

Table 3-26

Comparison of American and Canadian Television Programs on Certain Characteristics

	American	Canadian	No Difference	Don't Know	Total
Which generally . . .					
. . . have better acting?	60%	11%	21%	8%	100%
. . . are more entertaining?	65	11	18	6	100
. . . tell you more about what's going on in the world?	24	44	23	9	100
. . . are more realistic?	21	44	23	12	100
. . . have more violence?	78	2	14	7	100
. . . are more varied in the subjects they cover?	48	23	18	10	100

Source: CBC. *What the Canadian Public Thinks of Television and of the TV Services Provided by CBC* (Research Department, Canadian Broadcasting Corporation, February 1974), p. 114.

Table 3-27

Preference in English Canada for American or Canadian Television Programs: By Age of Viewer

	Age					
	18-24	25-34	35-49	50-64	65 plus	Total
American programs are better	60%	56%	51%	43%	41%	50%
Canadian programs are better	12 } 35	10 } 39	11 } 43	11 } 47	13 } 49	11 } 42
The same, no preference	23 }	29 }	32 }	36 }	36 }	31 }
Don't know	6	6	7	10	10	7
	100%	100%	100%	100%	100%	100%

Source: CBC. *What the Canadian Public Thinks of Television and of the TV Services Provided by CBC* (Research Department, Canadian Broadcasting Corporation, February 1974), p. 113.

Table 3-27 indicates that preference for U.S. television programming increases with decreasing age, and does so quite dramatically. Almost half of those respondents over 50 years old considered Canadian programs to be as good as or better than American offerings, but the younger groups all preferred American programming. These preferences and opinions are translated into actual viewing behaviour, and it is assumed that such viewing is sustained over time. By extension, as the young American-preferring audience matures, with a younger and perhaps even more American-oriented audience to occupy themselves with U.S. television, the audience for Canadian English-language television programs cannot help but constantly shrink over time, and as the audience shrinks, so does advertiser support.

This preference for American programs is further evidenced in Tables 3-15 and 3-16. The programs with the highest rating were primarily U.S. produced situation comedies, action/adventure, variety, and police/detective programs. More specifically, a comparison of Canadian-produced variety programs with U.S.-produced variety programs shown on the CBC and CTV networks in 1975 and 1976 in prime time shows that the U.S. programs received considerably higher ratings.

Preferences for different programs and classes of programs by age groups are indicated in Table 3-28. This table contains a sample of various programs within six identified program types shown in prime time along with their ratings. The ratings for each age group, indicating preferences, are distorted to a degree, particularly for the young, because of the fact that certain programs, such as police/detective, are shown in the later hours. Nevertheless, certain observations can be made. Police/ detective programs are more popular among the age group 18 years and over than the other groups, whereas situation comedy and action /adventure are more popular among the teenage group. The action/adventure programs were also highly rated by children aged two-11. Musical/variety programs were more popular among the adult group, as were public affairs and documentary programs.

For the police/detective programs listed in Table 3-28, the age group 17 years and under comprised 22 per cent or less, of the total audience viewing these programs. It is interesting to note that the most popular of the police/detective programs among this age group was *The Rookies* rated in July 1976 by the National Citizens Committee for Broadcasting as the second most violent program shown on television. When younger Canadians watch television, they are even more relaxation-and entertainment-oriented than their elders and they therefore choose American programs which they believe to be superior in this respect. It may be then, as Vernone Sparkes has suggested, that U.S. programs are preferred not simply because they are

American, but because they meet the uses and gratifications criteria of excitement, escape and entertainment that Canadian viewers are seeking from television and which Canadian programs at present fail to meet.³⁶

Basic Subscription	\$8.00
Cable operator's service charge	-2.00
Remainder	\$6.00
Exhibitor (cable operator) (45%)	-2.70
Program Supplier (film producer) (40%)	-2.40
Distributor (15%)	- .90
Remainder	\$0.00

6. Summary

The objective of television networks and stations is to maximize audience size and in attempting to achieve this they are highly competitive. Ratings for television programs are an indicator of the degree of acceptance of a program by audiences and all networks closely watch these ratings. Relatively low-rated programs are generally dropped, even after only a few weeks into a new season, and highly rated or successful programs, are imitated. The oligopolistic nature of the television industry, and the oligopoly games that networks engage in, have resulted in little diversity in programming and a high degree of homogeneity and stability in program schedules. A small number of program types tend to dominate prime-time. Recently in the U.S. these have been situation-comedies, police/detective, action/adventure, and movies. Variety, drama, and sports programs are considerably less significant in terms of the proportion of prime-time that they occupy. Games of counter programming have resulted in a high degree of similarity in content in the schedules of the networks.

In U.S. network programming in prime-time, situation-comedy programs had the highest average ratings over the past three seasons, and they were also less expensive per half-hour segment than police/detective and action/adventure programs and movies. Producers have contended, however, that situation-comedies were more difficult to produce than most program types and that they had less value for syndication purposes and subsequent sale in foreign markets. Police/detective and action/adventure programs, where violence is generally found, follow a highly formulaic pattern, making script-writing easier. In addition, audience demographics show that programs of violence such as police/detective tend to be popular among the age group 18 years and over and it is this group which forms the greatest proportion of the television audience. This group, particularly those between the ages of 25-64 (61 per cent of the television

Table 3-28

Television Audiences for a Sample of Prime-time CBC-CTV Programs (Common Coverage Area) Early Fall 1975
Distribution of Viewers and Program Rating

Program Class	Day	Time	Total Persons + 2 Years			Adults + 18			Teens 12-17			Children 2-11		
			Rating	No.		Rating	No.	%	Rating	No.	%	Rating	No.	%
				('000)			('000)			('000)			('000)	
Police/Detective														
<i>Kojak</i>	Sun.	9:00	12	2,137	15	1,838	86		11	238	11	2	62	03
<i>Harry-O</i>	Wed.	10:00	9	1,590	12	1,428	90		6	124	08	1	38	02
<i>Petrocelli</i>	Mon.	9:00	10	1,772	12	1,404	79		11	244	14	4	124	07
<i>Streets of San Francisco</i>	Thur.	8:30	10	1,646	12	1,402	85		8	163	10	3	81	05
<i>The Rookies</i>	Tues.	9:00	11	1,818	12	1,445	79		12	266	15	4	107	06
<i>Switch</i>	Fri.	10:00	8	1,342	9	1,042	78		10	211	16	3	89	06
		Average	10		12.0				9.6			2.8		
Situation Comedy														
<i>All in the Family</i>	Mon.	9:00	20	3,420	23	2,757	80		21	449	13	7	214	06
<i>Happy Days</i>	Tues.	8:00	18	3,075	15	1,827	59		31	660	21	20	588	19
<i>Mary Tyler Moore</i>	Fri.	8:00	13	2,207	13	1,615	73		13	286	13	10	306	14
<i>That's My Mama</i>	Mon.	7:00	12	2,113	12	1,473	70		14	302	14	11	338	16
<i>Sanford & Son</i>	Fri.	7:00	11	1,878	11	1,300	69		13	272	14	10	306	16
<i>Rhoda</i>	Mon.	8:00	14	2,369	14	1,725	73		16	341	14	10	304	13
<i>Chico and the Man</i>	Mon.	9:30	13	2,230	15	1,782	80		16	340	15	4	108	05
		Average	14.4		14.7				17.7			10.3		
Action/Adventure														
<i>The Waltons</i>	Sun.	8:00	11	1,967	12	1,476	75		12	256	13	8	235	12
<i>Invisible Man</i>	Mon.	8:00	14	2,371	12	1,501	63		19	406	17	16	464	19
<i>Emergency</i>	Sat.	7:00	11	1,912	10	1,234	64		12	263	14	14	415	22
<i>The Beachcomers</i>	Sun.	7:00	11	1,903	10	1,219	64		12	252	13	15	433	23
		Average	11.7		11.0				13.8			13.2		
Variety/Musical														
<i>Pig'n Whistle</i>	Mon.	10:30	5	893	7	848	95		1	31	03	—	14	01
<i>Carol Burnett</i>	Thurs.	8:00	13	2,300	13	1,547	67		19	402	17	12	352	15
<i>Irish Rovers</i>	Sun.	7:30	11	1,890	12	1,429	76		8	168	09	10	293	16
<i>Cher</i>	Sun.	8:00	12	2,121	13	1,549	73		16	341	16	8	231	11
<i>All Around the Circle</i>	Sat.	8:00	5	787	5	663	84		3	57	07	2	66	08
		Average	9.2		10.0				9.4			8.0		
Game/Quiz														
<i>This is the Law</i>	Tue.	8:30	9	1,468	9	1,077	73		9	193	13	7	198	13
<i>Celebrity Dominoes</i>	Fri.	7:30	5	921	5	653	71		5	108	12	5	159	17
Public Affairs/ Documentary														
<i>fifth estate</i>	Tues.	9:00	6	976	7	868	89		3	55	06	2	53	05
<i>W-5</i>	Sun.	10:00	5	919	7	857	93		2	43	05	1	19	02
<i>Marketplace</i>	Sun.	10:00	8	1,446	11	1,362	94		3	68	04	1	16	01
		Average	6.3		8.3				2.7			1.3		

Source: BBM Bureau of Measurement, *Television Network Report, Early Fall 1975*.

audience) also constitute the bulk of consumer spending and are therefore the group which advertisers seek to reach. Producers maintain that police/detective and action/adventure series are more certain in their audience appeal than comedies, varieties, and drama, even though statistics show that, between the seasons 1974-75 and 1975-76 and the seasons 1975-76 and 1976-77, comedies had a lower turnover rate in comparison to police/ detective, action/adventure, variety and drama programs.

U.S. television has had a great impact on Canadian television. The two major Canadian television networks, CBC and CTV, have tended to be more diversified in prime-time than their U.S. counterparts, but CTV in particular has tended to follow closely U.S. network programming patterns with a high concentration of police/detective and action/adventure programs in prime-time. This has been dictated by the fact that Canadian audience preferences are similar to those of Americans, that Canadian television is in direct competition with American television in border areas and is in competition with American programs in areas served by cable, and that Canadians generally prefer U.S.-made programs. Both CBC and CTV, but particularly CTV, rely on U.S. programs at only a fraction of the cost of Canadian-made network or independent programs, and, in addition, U.S.-made programs usually generate more advertising revenue because of their higher ratings. These programs consequently subsidize the higher-cost, lower-rated Canadian-made programs.

Cable and Pay-TV

A. Broadcasting Receiving Undertakings (Cable)

1. *Cable Basics*

Basically, cable television is an antenna system linked to an individual subscriber's set by cable through a series of amplifiers, making it possible to bring in signals he could not otherwise obtain. Cable television commenced in Canada in the early 1950s and grew rapidly in an unregulated fashion. By the early 1960s it was apparent that this new technology would have great impact on our broadcasting system. Since microwave relays, a broadcast technology, required licensing and large capital investment to bring signals across long distances, cable systems were originally withheld from cities located too far from the U.S. stations. However, most of the larger centres had American stations within range of the cable operator's sensitive antennae. Incorporated within the Broadcasting Act of 1968 was federal jurisdiction of broadcasting receiving undertakings, with the CRTC assuming regulatory authority over cable, since the economic exploitation of the technology depended on receiving broadcast signals.¹ While attempting to slow the proliferation of U.S. stations into Canadian homes, the CRTC had to bend to the demands of the public and politicians for wider program services. In 1971 the CRTC allowed microwave relay of foreign stations so that with the exception of Windsor and all major cities in Saskatchewan, all major cities are cabled.

Per capita, Canada is by far the most cabled country in the world. Current statistics indicate that of the 6.7 million households in Canada, 5 million homes are located in areas franchised for cable. Already there are 4.75 million homes passed by cable to which 3 million households or 63 per cent subscribe. In all, 44 per cent of Canadian homes subscribe to cable.² (See Table 4-1)

By comparison, the U.S. is approaching 11 million homes subscribing to cable or roughly 16 per cent of all households.

2. *Technology*

Cable, or more accurately, coaxial cable, is a wire, surrounded by air or polyethylene foam, wrapped in a circular shield of metal and covered with an insulating material. It differs from an ordinary telephone wire in

its capacity to carry much more simultaneous information over a longer distance (broadband). Whereas a telephone wire might conduct television programs for only a few feet, a standard coaxial cable is generally capable of delivering about 42 channels of television 2,000 feet, before reamplification is required, to a total distance of about 80,000 feet; that is, about 40 amplifiers at most from where the signals are introduced into the system (head end) to the furthest home still capable of receiving acceptable pictures. Of the approximately 42 channels which may be delivered to the home, the television receiver VHF tuner can select only programs from channels 2 to 13 for a total of 12 choices (the basic service).³ With the use of a "converter" additional channels can be tuned into the home set for a combined total of 10 or 24 channels (augmented service). Thirty-six-channel converters are starting to appear. At present the UHF tuner cannot be used and therefore UHF stations must be translated to a "V" channel or one of the converted channels (A, B, C, D, E, et cetera). Also strong local stations must be moved to another channel and a vacated channel is considered "impaired" and may not be used to carry priority stations as determined by the CRTC.⁴

Coaxial cable technology is by no means limited to television signals, but can be used for thousands of simultaneous telephone calls, high speed data transmission, linking computers, and connecting terminals. In its present application, cable is essentially a one-way system analogous to a water works with a water tower (head end), mains (trunks), service connections (drops), and faucets (television sets). It offers no point-to-point service or switched capability. The ultimate of a two-way switched service permitting interactive communications at the television or computer level from any specific home to any other specific home, is still a long time away. With current technology, it implies a multiplicity of cables and vastly more sophisticated switching devices than those presently used in telephone exchanges. This future capability, usually referred to as the "wired world", is far beyond the scope of this study, but some of the elements in its evolution are already apparent and will be discussed. Concurrently many other technological developments may modify or

Table 4-1

Cable Television Subscribers in Canada 1972 to 1977

Province	Percentage of homes					Estimated January 1 ^b 1977
	September ^a 1972	September ^a 1973	September ^a 1974	September ^a 1975	January ^b 1976	
Newfoundland	—	—	—	—	—	—
Prince Edward Island	—	—	—	—	—	—
Nova Scotia	6.7	13.1	19.9	23.5	26	32
New Brunswick	11.6	11.4	13.4	22.6	26	32
Quebec	22.8	25.6	31.3	36.6	35	40
Ontario	38.8	45.3	51.0	51.7	52	55
Manitoba	20.7	25.6	32.8	35.9	38	43
Saskatchewan	3.4	3.4	5.3	3.9	4	5
Alberta	15.9	27.7	36.9	41.2	43	44
British Columbia	58.0	61.5	64.5	63.6	67	68
Canada	29.8	34.7	40.4	41.9	42	44

^aBBM, *Radio and Television Data*, 1972, 1973, 1974, and 1975.

—Less than 2%.

^bTV Bureau, June 1976

redirect this process toward the “wired world” such as direct broadcast from satellites. In sum they all present the capability to extend the delivery of an ever-greater variety of program choice and content into the home. Doubtless, industry’s perception of consumer desires and willingness to pay will determine which of the technologies will be advanced.

3. Economics of Cable

Figures vary on the actual capital cost of cabling an urban area, but a reasonable estimate would be \$90.00 per home passed, assuming about 90 homes per mile, or slightly over \$8,000 per mile. Some operators claim \$10,000, others less. To this must be added the cost of the head-end which receives and translates the signals, any microwave charges to bring in distant stations, studios and production equipment, administrative and technical space and equipment.

Invested capital per home passed in 1974 was \$83.00.⁵ At current costs the figure now probably exceeds \$100.00 per home passed or \$150.00 per subscriber.⁶ Obviously, as the saturation ratio (homes subscribing to homes passed) increases, profitability increases markedly. Curiously, the larger cable systems do not demonstrate economies of scale as well as the mid-sized systems do.⁷ This may be due to relatively equivalent unit costs per subscriber and somewhat lower saturation figures for the larger systems which tend to be located in areas where over-the-air signals from the U.S. penetrate the market.

Revenues are received, firstly, as an installation charge for connecting the home to the cable. This charge currently is in the order of \$15.00 but established systems are seeking to raise the figure to \$25.00. Secondly, the monthly fee charged for the basic service is usually \$5.50 (\$2.00 - \$3.00 additional for augmented service) and again rate increases are being sought. In the case of augmented service, the necessary converter may be rented (\$2.50 per month), purchased from the cable operator, or purchased on the open market; it costs anywhere from \$50.00 to \$125.00. At present, the sale of advertising by the cable operator is forbidden. In the U.S. this is allowed but only in content originated by the cable operator.

The most recent financial statistics available for cable are indicated in Table 4-2.

Recent estimates place total cable earnings at almost \$200 million per year. From the table it may be noted that the cable industry is profitable, rather capital-intensive, and spends three to four per cent of revenue on programs. Since this expenditure is on locally-produced programs of a community nature not involving dramatic treatments or news reporting, violent themes in cable-originated production are not significant.

In Canada, cable is essentially a form of subscription pay-television. The subscriber is purchasing, for a monthly fee, the opportunity to watch programs from distant (U.S.) stations not otherwise easily obtainable. Improved local reception may also be a factor since, to

Table 4-2*Financial Summary of Private Cable Broadcasting Industry*

	(\$ Millions)	
	1974	1975
Total Operating Revenues	133	161
Expenses		
Program	5	6
Technical	27	35
Sales	7	8
Administration	27	37
Depreciation	29	33
Interest	11	14
Other expenses (Income)	—	(2)
Total Expenses	106	131
Income before Income Taxes	27	30
Provision for Income Tax	13	15
Net Income	14	15
Gross Fixed Assets Employed	320	358
Total No. of Employees	3,764	4,155

Source: CRTC Annual Report 1975-76.

a degree, the option of watching U.S. stations over-the-air in our southern major markets still remains. Essentially, the purchase decision is based on gaining wider program choice.

4. Impact of Cable on Canadian Broadcasting

a) Economic Impact

Studies have suggested that the economic position of conventional broadcasters, in light of increasing cable penetration, is extremely complex. The variables which need to be considered are: the broadcast station's network affiliation, the number and types of television stations available off-the-air within the station's coverage area, the number and types of channels that are available via cable; and the percentage penetration of the cable system(s) in the station's coverage area.⁸ While adding to the complexity of the situation involved, Babe⁹ nonetheless foresees "a substantial, permanent decline in television advertising in Canada" when U.S. television obtains something like a 30-40 per cent share of Canadian viewing time. Similar but less bold and specific conclusions are reached by Woods, Gordon & Co.¹⁰ in their study of the impact of cable in five representative markets. They found that cable did reduce the audience share of established local stations, but that the financial impact of this loss had been largely offset by the growth of population in the markets

and the general acceptance by advertisers of substantially increased advertising rates.

Although our major broadcasting stations are enjoying large annual gains and even the Global Television Network is realizing operating profits, the smaller stations are in considerable difficulty even to the point of failure (Pembroke) as advertisers consolidate their television budgets in "must buy" markets.

Since it is the first requirement of the CRTC to protect the national system and its economic viability, a number of economic strategies have been employed. They deal with attempting to recapture for our broadcasters, dollars spent by Canadian advertisers on the U.S. stations which reach Canadian audiences.

i) Bill C-58: An Act to Amend the Income Tax Act — has been implemented; businesses may no longer deduct as a business expense monies spent on foreign-owned broadcasting outlets.

ii) Commercial deletion — a policy of removing some of the commercials on U.S. stations carried by cable and replacing them with public service announcements. This would deprive the advertiser of certainty that his message would be seen. Recently this policy has been moth-balled until the results of Bill C-58 can be evaluated; the assumption is that this will take until August 1977 at least.¹¹

Since both these policies are very offensive to U.S. commercial interest, commercial deletion, at least temporarily, has been traded for Bill C-58.

Another policy requires cable operators to substitute the "Canadian edition" of any U.S.-produced program transmitted by a U.S. station simultaneously with its airing on a Canadian station. Until recently, Canadian television broadcasters took advantage of pre-release over their American counterparts. Now in many instances these programs are simultaneously broadcast, obliging the cable system to carry the Canadian advertising over both channels. This policy will certainly reduce the cost-per-thousand to the Canadian advertiser, possibly reduce the "spill-over" effect whereby a U.S. parent company may have lowered its subsidiary company's advertising budget in Canada, on the strength of having already partially reached this market, and certainly this policy will cut in half the opportunities available for viewing particular programs. Another approach, never implemented, involves requiring the cable systems to rebate money to Canadian broadcasters for use of their signals. This money would be directed to assisting the smaller stations and enhancing Canadian production. Inherent in all the above policies is the desire to bring economic support to the creation of more attractive, more varied, and more appropriate Canadian programs.

b) Impact of Cable on the Audience

Although the overall economic impact of cable on over-the-air broadcasters is not clear, it certainly has not been beneficial, and it hasn't made it easier to

provide money for improved Canadian programs. However, one thing is very clear: while the viewing of Canadian stations has suffered, it is the viewing of Canadian programs which has dropped alarmingly. As noted in Chapter 3, Canadians generally watch only one hour in three of Canadian programs (Toronto – one hour in four).¹² Paradoxically, although the public considers that U.S. programs are decidedly more violent,¹³ they also perceive these programs as more professional, more relaxing and more entertaining.¹⁴ Our figures show that loyalty to Canadian programs diminishes rapidly with the decreasing age of the viewer.¹⁵ Much of this can be attributed to the proliferation through cable of otherwise unobtainable U.S. stations. (The licensing of additional Canadian stations no doubt has also increased the opportunities to view American content.) Primarily Canadians are watching U.S. entertainment programs tempered by some Canadian national news and sports and local news and public affairs. This viewing imbalance is greatest in cable homes and most marked in young people. The evidence suggests that the trend will continue and that the viewing habits formed by the young will persist. Attitudes and tastes are, and will increasingly continue to be, shaped by massive exposure to U.S. television content. Regardless of whatever sanctions or standards with respect to violence might be imposed on Canadian programs or even U.S. programs broadcast in this country, these restrictions will have slight influence on the preponderance of content which will actually be viewed if the present structure of cable remains the same.¹⁶

5. Recent Developments

Until recently, federal policy has been to treat cable as a component of a single federally regulated broadcasting system. It treats the cable operator as a broadcaster with the role of developing a unique community service not provided by conventional broadcasters, by inviting active participation of the viewer in his local programming.¹⁷ But since cable is very much a local undertaking, doesn't cross provincial boundaries, and is in reality a broadband telecommunications delivery system, the provinces have disputed federal control and exclusive jurisdiction. The cable technology may be simultaneously used for many other services which offer attractive economic possibilities, such as remote sensing of utility meters; remote alarms for fire, theft, or ambulance; in-home shopping and learning, et cetera, and even ultimately the futuristic applications associated with the "wired world". In this light, cable appears to be more of a telecommunications common carrier capable of leasing channel space to a variety of users. Without the introduction of received broadcast signals into the system, the technology is clearly outside the scope of the Broadcasting Act and becomes a closed circuit device not regulable by federal jurisdiction. However, the economics of cable until now have been

dependent on the sale and distribution of distant broadcast signals to areas of urban density housing.

It is now becoming more apparent that closed-circuit systems offering newer or different contents could be viable, e.g. Network One in Toronto¹⁸ and the policy of the Saskatchewan government.¹⁹ The implications of this could be the proliferation of virtually uncontrolled content coupled with the further destruction of the national service. Also the transition of cable into a telecommunications common carrier, e.g. Manitoba,²⁰ while leaving program content within federal jurisdiction, no doubt will redirect the profits derived from ancillary and many future services away from our broadcasting system to the telecommunications companies.

These changes in the Canadian approach to cable have been precipitated by the advent of pay-TV. At present, pay-TV alone won't support separate closed-circuit cabling except in areas of highest density (high rises, condominiums), but the addition of other services and possibly advertising could extend these systems. In the near future optical fibre technology promises to sharply reduce the costs of broadband communications.²¹

B. Pay-TV

Pay-TV was originally conceived as the over-the-air broadcasting of programs scrambled or made unviewable through some technical process. With the payment of a fee the home viewer could watch the unscrambled program of his choice. Tantalizing ideas of symphonies, ballets, experimental and foreign film, a whole universe of programs directed to minority tastes was the promise of the new medium. Freed from the pressure of mass audience appeal which enslaved the commercial offerings to their cost-per-thousand ratings, new high-quality programs, heretofore unobtainable, could be purchased for viewing in the comfort of the home. Seemingly, the new economics of consumer-supported rather than advertiser-supported programs would make this revolution possible. Extremes of taste – artistic, sporting, dramatic, even sick, – could be accommodated in a system which allowed the individual to make deliberate personal choices rather than select from a common base of programs in general broadcast.

1. A Short History of Pay-TV

Earliest actual experiments began in 1950 in the U.S. but subsided while the courts debated whether this actually constituted "broadcasting" within the meaning of the Communications Act. After this issue was resolved in 1962, the FCC (Federal Communications Commission) authorized the Hartford, Connecticut pay-TV experiment. Via over-the-air transmission, a program selection consisting mainly of feature films plus a few sporting events was shown. In Canada, Etobicoke was the site of another experiment, but this time cable was the means of distribution and the

subscribers placed coins in a box to view the programs. Both experiments were variously labelled as failures; however, a number of factors were not taken into consideration. In the Hartford case, a great deal of experimenting was done with the program content and the method of metering subscriber usage was rather awkward. In Etobicoke, the pay system called for the installation of cable for pay-TV alone, rather than pay-TV being an additional source of revenue to a cable which was already paying its way by providing a basic service of distant signals.

During the next few years in the U.S., court actions to prohibit pay-TV were brought against the FCC by the cinema owners who felt the medium threatened their livelihood, and also by the conventional broadcasters who not unrealistically feared that their more choice programs would be lured away to the new medium. A shift from advertiser-supported television to consumer-supported television was in the making, and although fewer viewers might be reached, the economics were such that vastly more monies could be spent for the content. Although the U.S. cinema owners eventually lost their case, the conventional broadcasters fought doggedly for the banning or restricting of pay-TV to prevent the programs now aired for "free", being "siphoned-off" leaving the consumer (with his large investment in a television set) to watch the leftovers.²² California citizens, at the broadcasters' behest, even passed a law by referendum – later reversed – prohibiting pay-TV in their state.

Beginning in the 1970s the FCC hoped to resolve the arguments by issuing a set of anti-siphoning regulations designed to protect the existing programs on advertiser-supported television (and the consumer's investment in his set) while "permitting new uses of the broadcast waves". In essence, these regulations required that a pay-TV operator could use only feature films younger than three years, or older than ten, or foreign films, or films for which the broadcaster had no interest. By and large, sports events shown on pay-TV could not include those currently being broadcast or special sports events such as the Olympics if they had been broadcast within the last ten years. In total, feature film and sports events were not to occupy more than 90 per cent of the program schedule.²³ (N.B. Late correction: see endnote 30)

In spite of the huge revenue potential and the resolution of legal problems, over-the-air pay-TV, until recently, has been rather slow to develop for a number of reasons. Feasibility studies indicated that the public was not particularly interested – probably due to a general ignorance about the nature and potential of pay-TV. Really efficient and secure (uncheatable) systems for broadcasting scrambled signals, unscrambling them, and metering the consumer's viewing of each program, have only now become available. Finally, pay-TV licences were restricted primarily to those broadcasters in large cities who were presumed to

be in financial difficulties. They therefore lacked the adequate financial resources to start up and exploit the new medium.²⁴

Now that the technical problems have been solved and the consumer has demonstrated interest, several large companies, e.g. The Wometco Corporation, are moving in and the full impact of over-the-air pay-TV will shortly appear on the American scene.²⁵

2. The Current U.S. Pay-TV System

A variant of pay-TV which makes use of the established U.S. cable systems has surged ahead. In essence the cable subscriber gains unlimited viewing of a special channel of selected programs for a monthly fee (average \$8.00) additional to the basic fee (average \$7.00). This system is referred to as "pay-per-channel" and, curiously, in our Canadian discussions this approach has become synonymous with pay-TV, and by inference, synonymous with cable.

In this context it should be noted that the development of cable systems in the United States has differed markedly from Canada. The U.S. major cities with the exception of Manhattan are not cabled. As in Canada, the extension of cable and the willingness of the consumer to subscribe, have depended on the importation of distant signals. For Canadians this has meant U.S. stations. For the U.S. consumer this has meant stations not otherwise available in the community. Of the large U.S. cities, at this time, it is only in Manhattan that there is sufficient consumer demand for cable as a means of overcoming reception problems due to industrial interference and "ghosting" to warrant the expense of a cable system. (However, newer and cheaper technologies involving multi-channel omni-directional microwave – known as MDS – transmitting the television signals to an individual building for internal distribution by cable, or even homes, is advancing rapidly. See MDS – Chapter 5)

The apparent plan in the United States, therefore, is for pay-TV to be distributed over the air in most major cities and by cable in the smaller centres. In Canada it is the major centres that are cabled while the smaller communities (and rural areas) are not.

This pay-cable system developed because, although most U.S. cable operators were making money, in general they were working with smaller systems and with lower ratios of homes subscribing, to homes passed by cable, than their Canadian counterparts. Therefore the attraction of providing other services to produce revenue, since the use of additional channels (cable can carry up to 42 channels) meant slight or negligible further cost, was very enticing.

Rapidly, a number of program suppliers came into being who would either supply a "menu" of programs for a single channel or negotiate on behalf of the cable operator with the Hollywood producers for the rights to program a channel of pay-TV. Already a number of cable operators had had to offer a channel of feature

films in addition to the distant stations in order to gain basic subscribers. Now, with better product available, they were able to charge an additional fee for a pay channel. In general, this amounted to \$8.00 a month, of which the cable operator kept approximately half and the program producers and suppliers took the rest; \$4.00 a month would not pay for a cable system, but as an additional revenue over and above the \$7.00 subscription received for the basic service, it represented a highly profitable extra. This rather primitive pay-TV then depended on an existing cable system programming one or possibly two channels for which the viewer paid \$8.00 per channel a month to view primarily six to eight new feature films per month, each repeated many times that month and the following month, plus assorted other content. Non-subscribers were prevented from viewing the pay channel by a trap (filter) placed at the connection to their home, or the signal was scrambled and pay subscribers were provided with a descrambler. On this basis less than a year ago there were a quarter million subscribers. The number now is probably close to one million, or about 1.5 per cent of the television homes in the U.S. or 9 per cent of the 11 million cable homes (see Table 4-3).

Table 4-3

Growth of Pay-Cable Broadcasting in the U.S.

Date	Pay-cable Systems	Pay-cable Subscribers
4/1/73	10	18,400
7/15/73	20	35,400
2/1/74	38	48,300
5/15/74	45	66,900
9/1/74	50	100,120
12/31/74	55	140,000
3/31/75	62	188,835
6/30/75	75	264,575
9/30/75	104	351,250
12/31/75	170	469,030
3/31/76	190	633,250
6/30/76	253	766,100

Source: Paul Kagan Newsletter, Nov. 30, 1976.

Table 4-4 contrasts the growth of commercial television use in the late 1940s and early 1950s with the growth of pay-TV use in the 1970s.

Several recent phenomena have been noted and some have raised alarm. Penetration rates for pay-per-channel cable had been projected to reach 35 to 40 per cent or more of cable subscribers. However, in the last six months the number of disconnects (people quitting

Table 4-4

Commercial Television and Pay-TV as Consumer Phenomena

Year	Commercial Sets in Use
1947	16,000
1948	190,000
1949	1,000,000
1950	4,000,000
1953	21,200,000
Year	Pay-TV Customers
1973	16,000
1974	50,000
1975	190,000
1976	744,050
1979	2,500,000 (est.)

Source: Paul Kagan Newsletter, Nov. 30, 1976.

the service) and the "churn" ratio (ratio of people leaving to new subscribers) have been very high. These are indications that penetration of pay cable may stabilize at only 20 to 25 per cent of cable subscribers. This question of disconnects was one of major concern at the recent (November 1976) convention of the Western Cable Television Association at Anaheim, California. Most of the blame was placed on the lack of abundance of really suitable feature films. It was strongly noted that the consumer most commonly rejects the service because of particular movies that don't appeal and the frequency of repeats. What this implies is that the consumer feels he buys a complete service for a month and that everything should be equally attractive and continually different. He lacks a sense of "perceived value" in enjoying two or three of the eight new movies per month. He also equates the pay channel with conventional television with the expectation of continuous gratification while demanding content not generally available on advertiser-supported television. In effect, pay-per-channel cable is subject to the same pressures toward lowest-common-denominator programming. It is far more important not to displease the subscriber than to please him.²⁶

In making any assumptions about current U.S. pay-TV, it should be kept in mind that present pay-TV subscription is limited to cable subscribers who, by definition, are heavy consumers of conventional television programming, so much so, that they are willing to pay \$7.00 per month for a few additional distant stations. Basically this system fails to reach

those who are not interested in conventional television but might be desirous of very different fare. These facts should indicate a strong caveat to our own pay-TV planning or our reliance on the experience of current U.S. models.

3. *Programming on Pay Cable in the U.S.*

Unless Canada deliberately adopts a distinctly different system our programming will closely parallel the U.S. pattern. We will to some extent be governed by the basic content, release patterns, and marketing strategies associated with Hollywood feature films.

The actual content of the pay-channel varies from location to location depending on whether the cable operator makes his own arrangements for the programs, whether the operator subscribes to a service, whether the operator belongs to a chain of cable systems which has worked out its own package of programs, or whether a program supplier has leased a channel from the cable operator and supplies the programs for that channel. The largest supplier of programs is Home Box Office (HBO) of New York, a Time-Life Inc. subsidiary and pioneer in the use of satellite transmission to distribute 12 hours of programs each day to about 40 locations. At the time of this writing, Home Box Office is estimated to have half a million subscribers or half of the cable homes which subscribe to a pay service in the U.S. The subscriber receives not only fairly recent feature films such as *Farewell My Lovely*, *Rollerball*, *Swept Away*, et cetera, but specially produced programs like *The Bette Midler Show*, *Les Folies Bergere*, and uncensored comedians in performance "on location". Home Box Office has also carried, via satellite from Europe, the non-televized tennis matches at Wimbledon and many league games of the National Basketball Association and the National Soccer League which were not otherwise televised. They have also experimented with the use of rather avant-garde film as indicated by their purchase of content from the Independent Cinema Artists and Producers Association.

The other major program suppliers is Telemation Program Services (an HBO subsidiary) which distributes its feature films and other programs via video-cassette. This company acts rather more like a film booker than an actual program supplier since it usually negotiates with the film producer for the rights for use in a particular market and the cable operator himself signs the contract with the film producer. In this way a much more flexible "menu" may be offered by the local cable operator by taking into account particular community tastes. In all cases the program suppliers have avoided any X-rated films, probably because it is a sensitive and untested issue and the pay-per-channel approach doesn't lend itself to control of content by the parent in the home. There is some evidence that those cable systems using Telemation Program Services (TPS) achieve higher penetrations of pay-TV subscribers than

does Home Box Office,²⁷ which is attributed to the TPS capability of tailoring the program mix to a specific community.

Essentially, pay-cable is a movie channel – sports and specially produced programs are not really significant to date. Table 4-5 shows the number of movies in pay distribution, their source and ratings.

This table shows that the distribution of ratings is skewed more toward G and PG than is the overall Hollywood product destined for theatrical release. None of the X-rated pictures are shown on pay-per-channel cable; they appear only on pay-per-program systems, primarily hotel pay-TV.

Table 4-5

Types of Films Available in U.S. Pay-TV and Their Distributors, Fall 1976.

	1976		
	October	November	December
Films in pay-TV circulation	249	254	261
Rated G	31	30	34
Rated PG	107	108	115
Rated R	73	77	74
Not Rated	30	31	28
Rated X	8	8	10
Distributor:			
20th Century Fox	31	31	32
United Artists	28	30	30
Warner Bros.	29	30	27
Columbia	21	21	23
Paramount	21	21	19
Amer. Intl.	n/a	n/a	16
Universal	16	16	16

Source: Compilation of Paul Kagan Newsletters.

In the face of disconnects and a shortage of "good" films many new economic strategies are being tried. One approach is to offer less for less, e.g. four new movies a month for \$4.00. Another is to offer two different channels – one for family viewing restricted to four to five G and PG films a month, the other channel basically offering R material. Each channel would cost \$5 to 6 with a discount for subscribing to both. Considerable pressure will be placed on the FCC to mitigate the 3-10 year rule and make considerably more film available to pay-TV.²⁸ Since U.S. cable systems are required to lease channels to others if so requested, newer pay-TV operators are demanding access and

soon single cable systems will be offering competing pay-TV channels. Optical Systems Ltd. (a pay-TV program distributor with a satellite delivery system – Western Union's Westar) is invading this competitive field. In all of this, immense sums of money are being invested in the future of pay-TV and earth-receiving stations are proliferating throughout the U.S. HBO, although yet to make a profit, is assuming the proportions of a "fourth" network with production facilities, large investments in developing new programs, and an instantaneous nationwide program delivery system.

Costs of feature film to the cable operator vary depending to some degree on the quality of the film, the number of subscribers on the system, and the number of exposures given. Present pricing is in the range of 1½ to 7 cents per subscriber per showing. In general the producer receives about 35 cents per subscriber for use of his film. He would much prefer a direct percentage of the interest generated by his film similar to the cinema box office, but that is only possible in a pay-per-program mode.

The allocation of charges in pay-per-channel vary from system to system but, using the *Paul Kagan newsletter* figures, these may be generalized into a model which shows the following:

Basic subscription	\$8.00
Cable operator's service charge	-2.00
Remainder	\$6.00
Exhibitor (cable operator) (45%)	-2.70
Program supplier (film producer) (40%)	-2.40
Distributor (15%)	-.90
Remainder	\$0.00

From the above it can be seen that although the program supplier receives 40 per cent, in reality it is only 30 per cent of the gross subscription. The distributor receives 11 per cent of the gross and the exhibitor – that is the cable operator – approaches 60 per cent when the service charge is included. This is currently a very contentious area. In effect, a cable operator, by owning "the theatre", has the dominant position. (The inference can also be drawn that when a cable operator has been cast in the role of a common carrier, with a channel leased from him for 80¢ a month, he has still made money; therefore this is not an unrealistic figure for rental of a channel.)

The division of money, in the case of Home Box Office in particular, and the above system in general have caused several altercations. From time to time this has led to the withholding of product from the market. At the moment there seems to be a sort of armed truce but this has stiffened the obduracy of the film producers to move for pay-per-program pay-TV.

As noted before, the rate of consumption of suitable Hollywood product has, from time to time, created a very tight situation. When there is a sufficient base of pay subscribers in the U.S., it is obvious that the Hollywood majors will make a concerted effort to transpose the system into pay-per-program.

All the various systems of pay-per-channel are using essentially the same Hollywood feature film product because until recently they were not directly competing with one another in the same market. The most distinctly different service is Home Box Office which sees economic reason to generate its own content and provide a wide diversity of program types thereby rigorously avoiding the classification of being "the movie channel". From this, one senses economic experimentation to discover consumer interests and provide some alternatives to Hollywood dominance.

The Hollywood majors look upon pay-TV as an additional source of revenue which will not diminish the theatrical box office or sales to conventional broadcasting. In total gross this source is at present very small compared to the other two. Their willingness to go along with current pricing levels and release their films to pay-TV indicates that they wish pay-cable to succeed and flourish and that the medium represents a new and unexploited market. To this end the major Hollywood studios are rapidly developing specialized departments for pay-TV, e.g. Hollywood Home Theatre (Twentieth Century Fox and United Artists).

4. Pay-per-program Pay-TV

Pay-per-program pay-TV was the original concept of pay-TV and one tested in Hartford and Etobicoke in the early 1960s. Ideally, this approach should lead to a wide diversity of program content heretofore unavailable, much less common-denominator programming, and much greater interaction between the consumer and the program producer. Yet exploitation of this marketing approach hasn't happened so far except in a few isolated instances. The first big problem has been inadequate technology.

a) Technology of Pay-per-program

All pay-TV depends on some system of providing the subscriber with a service but denying it to those who don't pay. Pay-per-program additionally requires some system of metering the individual consumption of programs. A number of technologies are in current use, and more are becoming operational now and in the near future.

The first problem of security which applies also to pay-per-channel is dealt with in a number of ways. Firstly, a trap may be placed outside the home or at the set of every basic cable subscriber which when removed will allow the passage of the pay-channel into the pay subscriber home. This is a cheap device, probably in the order of \$3.00 or \$4.00 plus installation (which generally includes the cost of selling the service in the first place), and costs the subscriber in the order of \$15.00 to \$25.00. Problems with this device are that it must be installed in all non-subscribers' homes and then selectively removed. In effect, the technology is provided to those who don't pay. In the home or apartment building, it may easily be removed by amateurs, thereby defeating its security purpose. Outside the home, a number of stories have arisen about roving gangs, for a modest fee,

providing people with the pay-service at no additional cost. The trouble here is not that the amount of theft is that great, but that the honest subscriber becomes disenchanted, feeling himself in a climate of those who are cheating and getting away with it, and in frustration, cancels. It is not known how serious the problem is, but there has been considerable talk that traps are an obsolete approach and it appears that cable operators in the U.S. are already moving to better devices.

The second major technology involves scrambling and descrambling the signal. The pay channel is introduced into the cable system in some distorted form and with the application of a device at the set the consumer is able to recover a viewable picture. This level of technology probably costs in the order of \$25.00. Although some exceedingly cheap filter-restorers have been developed, the disadvantages are that in some systems the picture may be damaged, that the consumer is unaware of whether his set is malfunctioning or the picture is scrambled, that the device may be limited to a single channel, and that the devices may well proliferate through radio appliance stores or some such means and it would therefore be impossible to prevent their ready acquisition by anyone.

In the U.S. the installation of converters in order to pick up the mid-band channels has been used as a method of providing the security. This has already been tried in Canada and has failed. In any case, most of our major cities, if not already using converters, are at the threshold of requiring them.

Encoding and decoding of the picture information and control of sound are found in the system used by Western Codavision (Pay Television Corporation of New York) and nearing production at Electrohome in Kitchener. This is a highly secure system which depends upon a code in the signal, a code on a card, and the code of the individual box to restore the picture. It is an expensive technology (\$125.00) compared to traps, but has the advantages of allowing pay-per-program multi-channel conversion service, in-home security (i.e. removal of the card), and the rendering of the picture unviewable in a rational fashion.

And finally there is the "smart" tap which involves a distribution point at the drop connection feeding approximately four homes individually and contains the technology to shut off the entire service or introduce scrambling signals into the pay channels at the call of a central computer in any of these homes. The cost of a four-home unit is in the order of \$130.00 not counting the computer and programming. It is highly secure and can provide for a pay-per-program capability as long as the programming is pre-ordered by the subscriber and entered into the computer, i.e. a subscriber calls by telephone some period in advance of the program wanted. This can, however, cut down on impulse buying since in large systems, the telephone couldn't handle a large volume of calls just prior to a much sought-after event.

A number of systems have been developed for over-the-air pay-TV which provides varying degrees of security and varying capabilities of pay-per-program. Six systems have FCC approval but they reduce to essentially four systems. Blonder-Tongue, a scrambler-descrambler on a per-month basis (newer models have some pre-program capability); Oak Industries a scrambler-descrambler on a monthly basis; the Teleglobe system currently being installed in Los Angeles which encodes and decodes but primarily offers a monthly channel with six optional tickets to allow additional charging for up to six special events (this technology costs in the order of \$100.00 per home); and the Pay Television Corporation's Canadian development which encodes and decodes with full pay-per-program capacity for more than one channel and costs approximately \$125.00, depending on whether such features as conversion (applicable only to cable) and remote tuning are supplied. It is reported to contain a high grade UHF tuner and in most over-the-air applications converts the UHF station to a "V" channel.

In addition to the pay-per-view technologies noted above, the Columbus, Ohio pay-per-view cable system which lacks proper security (it relies upon a converter) has developed a very effective metering device. They have succeeded in developing an upstream capability within the cable system without reliance upon a phone line, for end of the day addressing and metering. In essence, their system is based on subdividing their array of homes into sections and subsections and being able to measure each home individually in groups of 100 to 200 thus overcoming the noise problem if all subscribers were generating return signals on the entire array at once.

There are many advantages to this "upstream" system. Notably, the consumer simply turns the key on in order to gain access to the pay channels (in this case four) and by simply tuning to a channel, the fact is noted in the central computer. If the channel is tuned to a particular pay channel for a sufficient length of time, then a charge is made. This allows the subscriber to preview and sample programs without activating a charge. The system is also highly amenable to other services such as emergency alarm or public utility metering and represents the beginning of a two-way cable system. There seems to be a lot of conflict in the area of cost. The operators of this system indicate that the basic unit in the home costs approximately \$40.00 which includes conversion and return radio signalling. The costs of conversion to two-way are very modest but are dependent upon the nature of an existing one-way cable system. According to the Columbus operator, in addition to the code-operated switches, costs of upgrading to two-way capacity or changing amplifiers should not exceed approximately \$500.00 per mile and could be considered less. One other advantage of this system is continuous monitoring of signal strengths and qualities at the terminations of all branches of the

system. Faults are generally discovered long before the consumer is aware of them and most subscriber complaints can be analyzed immediately from the central office to determine whether the system or the consumer's set is at fault.

A newer and untried system is one in which a device on the consumer's set stores digital information concerning the viewing amounts and times on the pay channels. This information is accessed by telephone line in the early morning hours similar to meter reading and the print-out of each consumer's daily usage is then available. This system depends on a sophisticated clock (expensive) which must not be subjected to power failures.

At present there appear to be three currently operational fully pay-per-program technologies.

- i) The addressable tap for small cable systems and hotel applications.
- ii) The Pay-TV Corporation's card punching system for over-the-air and possibly cable applications.
- iii) The Telecinema of Columbus two-way cable return feed metering.

b) Programming on Pay-per-program

Over-the-air subscription television (STV) will likely be limited to one channel in an area. Such a scarcity of prime-time and limited hours will generally cause economic pressures to achieve mass appeal. It will lend itself to big-event programs, a trend already apparent in conventional network programming. Revenue projections for STV are based on only very small saturation (e.g. five per cent) of all households. However, since these systems are limited to the top U.S. cities with great numbers of households and don't require the huge capital costs of cable, this level of saturation is viable. It does indicate that no overwhelming demand is anticipated and that fragmentation of audiences will be slight. If pay-per-channel techniques are employed, content will be similar to the existing cable model. If pay-per-program billing is used, it is probable that more diverse content will be offered with a tendency toward extremes, i.e. greater differences from conventional television fare (spectaculars, heavy-weight fights, soft porn, drive-in type movies for the curious who prefer viewing in the privacy of their home).

On cable there are only three pay-per-program systems – Network One in Toronto, Telecinema of Columbus (Ohio) and a small system in Allentown, Pennsylvania.

Telecinema of Columbus offers four channels of pay programs simultaneously which permits a huge choice of their "menu". They have experimented widely and consider a program profitable if only two to three per cent of their pay subscribers purchase the program. Their actual costs of exhibiting a program are very low since they are only obligated to the program supplier for a percentage of the gross revenues attributable to the

program. Revenue from a minority appeal program can be considered revenue that they might not have otherwise received. The crucial economics depend on the average utilization per subscriber and Telecinema of Columbus has been consistently drawing larger gross earnings per subscriber than the pay-per-channel \$8.00 with a 25 per cent penetration rate of pay subscribers to their cable subscribers. The print-out for a day is shown as Table 4-6, and indicates the programming results; on that day (November 6, 1976) selections offered constituted about half the programs available in the month. A typically, no sports program was shown, but until the current pay-TV restrictions, this was a minor source of revenue and consumer interest.

In studying the Telecinema results over a long period, certain observations can be made.

i) The more cultural events, e.g. American Film Theatre, have fared poorly although *The Iceman Cometh* did well.

ii) Sports programming does badly. Best is the National Basketball Association. The American Football League does very badly. The National Hockey League is weak.

iii) Diversity of content does produce more revenue per subscriber but this is mostly attributable to soft porn (the F channel) which is not found on pay-per-channel.

iv) Contrary to the operator's opinion that soft porn would quickly lose its appeal, it has consistently held up and brings in 30 to 40 per cent of the program revenue. There is very definitely a great consumer demand for this content. Although Telecinema has yet to run an X-rated film, it does use foreign films that could be classed X. However, they carefully screen all Channel F film and edit out anything that smacks of sadism, violence, or "perversion". While strong on nudity, the films are rather light-hearted and harmless. The operators have yet to have a complaint and they attribute this to their caution, plus the fact that the consumer must physically turn on the key to his home converter and actually pay to see the specific program. (Customers who say they want the pay service but not the F channel are offered a trap to remove it at no charge. They invariably decline to put the operator to the trouble.)

v) Telecinema has yet to find the answer to appealing to the more affluent home which is not a heavy television user but could be a high-paying customer for some specialized content, e.g. tennis skills, International Chess Matches.

vi) Although the capability exists for selling more diversified content, the subscriber seems unimpressed and generally buys the expected.

vii) There is some evidence that less than block-buster films may do relatively better than the "biggies" in this environment than in theatrical distribution. While it takes a *Jaws* to get large numbers of people out their homes, there are many films people would like to see without the inconvenience of going to a theatre.

Table 4-6

Telecinema Daily Revenue Reports

Market: Columbus

Date: 11/06/76 (Saturday)

Billing thresholds: Max. missing = 25. Max. bad data = 10. Max. no dev. = 25. % Durations = 20.

Min. abs. time = 15. Max. viewing starts = 4. Max. billings/sub. = 3. Time allowed/scan = 7.

1. Number of Subscribers:	4970	100.0% of 1	
2. Number of Active Subscribers:	811	16.3% of 1	100.0% of 2
3. Number of Active Subscribers Billed:	518	10.4% of 1	63.9% of 2
4. Number of Billing Opportunities:	1650	100.0% of 4	
5. Number of Billing Ops Billed:	671	40.7% of 4	

Chan ID	Show Time	Movie Title	Price	Billings N /Sub	Revenue \$ /Sub	Cost \$ Rylty	Income \$ /Sub
C	1000	599 <i>Little Peoples</i>	0.75	1 0.0002	0.75 0.0002	0.26 35.0%	0.49 0.0001
C	1100	600 <i>Little Peoples</i>	0.75	2 0.0004	1.50 0.0003	0.52 35.0%	0.98 0.0002
C	1200	599 <i>Little Peoples</i>	0.75	1 0.0002	0.75 0.0002	0.26 35.0%	0.49 0.0001
C	1300	600 <i>Little Peoples</i>	0.75	5 0.0010	3.75 0.0008	1.31 35.0%	2.44 0.0005
C	1400	599 <i>Little Peoples</i>	0.75	2 0.0004	1.50 0.0003	0.52 35.0%	0.98 0.0002
C	1500	602 <i>Mandingo</i>	3.00	1 0.0002	3.00 0.0006	1.20 40.0%	1.80 0.0004
C	1730	598 <i>Lenny</i>	3.25	3 0.0006	9.75 0.0020	3.90 40.0%	5.85 0.0012
C	1930	608 <i>Night Moves</i>	2.75	6 0.0012	16.50 0.0033	4.13 25.0%	12.37 0.0025
C	2130	597 <i>The Klansman</i>	2.75	16 0.0032	44.00 0.0089	11.00 25.0%	33.00 0.0066
C	2330	602 <i>Mandingo</i>	3.00	25 0.0050	75.00 0.0151	30.00 40.0%	45.00 0.0091
C	2600	580 <i>Blazing Saddles</i>	3.00	9 0.0018	27.00 0.0054	6.75 25.0%	20.25 0.0041
C	2800	597 <i>The Klansman</i>	2.75	5 0.0010	13.75 0.0028	3.44 25.0%	10.31 0.0021
Totals for Channel C				76 0.0153	197.25 0.0397	63.30 32.1%	133.95 0.0270
D	1000	590 <i>Freebie and TH</i>	3.00	3 0.0006	9.00 0.0013	2.25 25.0%	6.75 0.0014
D	1200	596 <i>Killer Force</i>	3.25	3 0.0006	9.75 0.0020	2.44 25.0%	7.31 0.0015
D	1400	601 <i>Longest Yard</i>	3.00	8 0.0016	24.00 0.0048	6.00 25.0%	18.00 0.0036
D	1600	604 <i>Nashville</i>	3.00	4 0.0008	12.00 0.0024	6.00 50.0%	6.00 0.0012
D	1900	596 <i>Killer Force</i>	3.25	14 0.0028	45.50 0.0092	11.38 25.0%	34.12 0.0089
D	2100	590 <i>Freebie and TH</i>	3.00	33 0.0066	99.00 0.0199	24.75 25.0%	74.25 0.0149
D	2300	610 <i>Open Season</i>	2.75	25 0.0050	68.75 0.0138	17.19 25.0%	51.56 0.0104
D	2500	601 <i>Longest Yard</i>	3.00	15 0.0030	45.00 0.0091	11.25 25.0%	33.75 0.0068
D	2700	596 <i>Killer Force</i>	3.25	13 0.0026	42.25 0.0085	10.56 25.0%	31.69 0.0064
Totals for Channel D				118 0.0237	355.25 0.0715	91.81 25.8%	263.44 0.0530
E	1100	585 <i>Diamonds</i>	2.75	3 0.0006	8.25 0.0017	2.06 25.0%	6.19 0.0012
E	1300	587 <i>Don't Cry With</i>	2.50	5 0.0010	12.50 0.0025	4.38 35.0%	8.13 0.0016
E	1500	609 <i>Old Dracula</i>	2.75	13 0.0026	35.75 0.0072	8.94 25.0%	26.81 0.0054
E	1630	592 <i>Funny Lady</i>	3.25	4 0.0003	13.00 0.0026	5.20 40.0%	7.80 0.0016
E	1900	617 <i>Winterhawk</i>	3.00	29 0.0058	87.00 0.0175	21.75 25.0%	65.25 0.0131
E	2100	588 <i>Exorcist</i>	3.50	62 0.0125	217.00 0.0437	97.65 45.0%	119.35 0.0240
E	2300	579 <i>Black Christmas</i>	2.75	55 0.0111	151.25 0.0304	37.81 25.0%	113.44 0.0228
E	2500	609 <i>Old Dracula</i>	2.75	17 0.0034	46.75 0.0094	11.69 25.0%	35.06 0.0071
E	2630	588 <i>Exorcist</i>	3.50	14 0.0028	49.00 0.0099	22.05 45.0%	26.95 0.0054
E	2830	617 <i>Winterhawk</i>	3.00	9 0.0018	27.00 0.0054	6.75 25.0%	20.25 0.0041
Totals for Channel E				211 0.0425	647.50 0.1305	218.28 33.7%	429.22 0.0864

Chan ID	Show Time	Movie Title	Price	Billings N /Sub	Revenue \$ /Sub	Cost \$ Rylty	Income \$ /Sub
F	1000	614 <i>Teenage Hitch</i>	2.75	7 0.0014	19.25 0.0039	3.85 20.0%	15.40 0.0031
F	1130	612 <i>Sometime Sweet</i>	3.25	13 0.0026	42.25 0.0085	8.45 20.0%	33.80 0.0088
F	1300	605 <i>Naughty Coeds</i>	3.00	17 0.0034	51.00 0.0103	10.20 20.0%	40.80 0.0082
F	1430	613 <i>Starlet</i>	2.75	16 0.0032	44.00 0.0089	7.92 18.0%	36.08 0.0073
F	1600	614 <i>Teenage Hitch</i>	2.75	11 0.0022	30.25 0.0061	6.05 20.0%	24.20 0.0049
F	1730	612 <i>Sometime Sweet</i>	3.25	9 0.0018	29.25 0.0059	5.85 20.0%	23.40 0.0047
F	1900	589 <i>Five Kittens</i>	2.75	20 0.0040	55.00 0.0111	11.00 20.0%	44.00 0.0069
F	2030	605 <i>Naughty Coeds</i>	3.00	24 0.0048	72.00 0.0145	14.40 20.0%	57.60 0.0016
F	2200	612 <i>Sometime Sweet</i>	3.25	28 0.0056	91.00 0.0183	18.20 20.0%	72.80 0.0146
F	2330	586 <i>Dirty Lovers</i>	3.00	34 0.0068	102.00 0.0205	18.36 18.0%	83.64 0.0168
F	2500	611 <i>Ramrod</i>	3.00	39 0.0078	117.00 0.0235	21.06 18.0%	95.94 0.0193
F	2630	612 <i>Sometime Sweet</i>	3.25	32 0.0064	104.00 0.0209	20.80 20.0%	83.20 0.0167
F	2800	613 <i>Starlet</i>	2.75	16 0.0032	44.00 0.0089	7.92 18.0%	36.08 0.0073
Totals for Channel F				266 0.0535	801.00 0.1612	154.06 19.2%	646.94 0.1302
Grand Totals				671 0.1350	2001.00 0.4026	527.45 26.4%	1473.55 0.2965

Telecinema Daily Revenue Reports

Movie ID	Movie Title	Pdcr	Rtng	Dur	Billings N /Sub	Revenue \$ /Sub	Income \$ /Sub
6	579 <i>Black Christmas</i>	WB	11	103	55 0.0111	151.25 0.0304	113.44 0.0228
7	580 <i>Blazing Saddles</i>	WB	11	95	9 0.0018	27.00 0.0054	20.25 0.0041
12	585 <i>Diamonds</i>	MAT	01	110	3 0.0006	8.25 0.0017	6.19 0.0012
13	586 <i>Dirty Lovers</i>	JER	02	80	34 0.0068	102.00 0.0205	83.64 0.0168
14	587 <i>Don't Cry With Mouth Full</i>	NEW	17	115	5 0.0010	12.50 0.0025	8.13 0.0016
15	588 <i>Exorcist</i>	WB	01	120	76 0.0153	266.00 0.0535	146.30 0.0294
16	589 <i>Five Kittens</i>	EVR	02	82	20 0.0040	55.00 0.0111	44.00 0.0069
17	590 <i>Freebie and The Bean</i>	WB	11	120	36 0.0072	108.00 0.0217	81.00 0.0163
19	592 <i>Funny Lady</i>	COL	11	138	4 0.0008	13.00 0.0026	7.80 0.0016
23	596 <i>Killer Force</i>	AIP	01	105	30 0.0060	97.50 0.0196	73.12 0.0147
24	597 <i>The Klansman</i>	PAR	11	111	21 0.0042	57.75 0.0116	43.31 0.0067
25	598 <i>Lenny</i>	UA	11	104	3 0.0006	9.75 0.0020	5.85 0.0012
26	599 <i>Little Peoples Package #1</i>	HBO	04	57	4 0.0008	3.00 0.0006	1.95 0.0004
27	600 <i>Little Peoples Package #2</i>	HBO	04	56	7 0.0014	5.25 0.0011	3.41 0.0007
29	601 <i>Longest Yard</i>	PAR	11	120	23 0.0043	69.00 0.0139	51.75 0.0104
30	602 <i>Mandingo</i>	PAR	11	130	26 0.0052	78.00 0.0157	46.80 0.0094
32	604 <i>Nashville</i>	PAR	11	157	4 0.0008	12.00 0.0024	6.00 0.0012
33	605 <i>Naughty Coeds</i>	HEM	02	88	41 0.0082	123.00 0.0247	98.40 0.0198
36	608 <i>Night Moves</i>	WB	11	102	6 0.0012	16.50 0.0033	12.37 0.0025
37	609 <i>Old Dracula</i>	AIP	01	89	30 0.0060	82.50 0.0166	61.87 0.0124
38	610 <i>Open Season</i>	COL	11	105	25 0.0050	68.75 0.0138	51.56 0.0104
39	611 <i>Ramrod</i>	JER	02	87	39 0.0078	117.00 0.0235	95.94 0.0193
40	612 <i>Sometime Sweet Susan</i>	EVR	02	73	82 0.0165	266.50 0.0536	213.20 0.0429
41	613 <i>Starlet</i>	JER	02	90	32 0.0064	88.00 0.0177	72.16 0.0145
42	614 <i>Teenage Hitchhikers</i>	EVR	12	76	18 0.0036	49.50 0.0100	39.80 0.0080
45	617 <i>Winterhawk</i>	AIP	01	98	38 0.0076	114.00 0.0229	85.50 0.0172
Totals					671 0.1350	2001.00 0.4026	1473.55 0.2965

viii) The revenue is rather widely spread throughout the offerings and not all associated with a few programs.

ix) The customer seems to budget his monthly purchases and maintains about the same level of expenditure each month.

x) The distribution of utilization by subscribers is

highly skewed, i.e. a minority of subscribers purchase a great deal and a majority much less – similar to general television viewing habits.

xi) Disconnects are a problem. The assumption that pay-per-program would not experience disconnects, since the customer only purchased what he wanted and

wouldn't feel he was buying something he didn't want, is not substantiated.

xii) The average consumer buys two to three events per month.

Much more detailed information than is presented here has been supplied, but Telecinema of Columbus is experiencing severe security problems. They are dependent on a converter technology and this has proven unsafe. Although the computerized return feed metering system seems excellent, because of their security problems they are unsure of the accuracy of their more specific findings and wish to keep them unpublished.

What emerges from all this is that pay-per-program is probably not the answer to all programming ills. It does provide more choice but at present, by being limited to cable subscribers and in the absence of truly different programs being available to the new medium, it appears not to be very substantially different from pay-per-channel cable. It must be stated that there are so many variables in the marketing, promotion, pricing, scheduling and servicing of pay-TV that are untested, that it is premature to draw many conclusions.

The other two systems mentioned (Network One and Allentown) were not studied in such detail. Network One has a very efficient and inexpensive technology dependent on using a cable exclusively for a single pay cable. The system is not regulated because it is closed circuit and with present costs of cabling, it is limited to areas of very high density (i.e. condominiums, since rental high-rises have a much less stable occupancy). Saturation has reached 85 per cent of 1,400 units. Programming consists of usually two or three features shown each day and repeated from a monthly spectrum of six to seven features. The late show on many evenings is X-rated, e.g. *Emmanuelle*. Consumption averages about 2.5 films a month. With a cheaper cable technology, such an unregulated system could easily service single family dwellings.

The small cable system in Allentown, Pennsylvania, does use X-rated film. The pay-per-channel system in Ann Arbor, Michigan, has also shown *Emmanuelle*, but this was an exception to the rule. The assumption again is that soft porn sells and sells very well. Discussions with hotel cable operators also confirm this assumption.

5. Pay-TV in Canada

There been much publicity about the "inevitable" introduction of pay-TV into Canada. Submissions were requested by October 1, 1976 by the CRTC and it appears public hearings will be held in the late spring. The objectives for pay-TV have been summarized by the Hon. Jeanne Sauvé, Minister of Communications, speaking on June 2, 1976 to the Canadian Cable Television Association (CCTA) as follows:

First: It must provide a range of programming which does not duplicate that now offered by broadcasters and must do so without siphoning programs from the broadcasting system.

The continued federal regulation of the broadcasting system, including the regulation of pay television, is a crucial factor in the coherent and orderly provision of program services to the entire Canadian viewing public.

Second: It must ensure the production of high-quality Canadian programs that Canadians will watch.

Third: It must ensure that programs are produced in Canada for international sale.

One hundred and five submissions have been received. Many are simply letters and suggestions. The following Tables 4-7 and 4-8 attempt to analyze all the major briefs and indicate where the proposers stand on certain issues.

What became apparent this past summer was that the creative, artistic and production elements in this country were adamant in demonstrating their large stake in the pay-TV enterprise. They claimed that they would rather do without any pay-TV than have a structure which was primarily dependent on U.S. content and which centred control in the delivery system, regardless of how much money might be apportioned to subsidize Canadian production.

In analyzing the major submissions it is pointless to count, as it were, votes. Clearly the cable operators and the broadcasters suggest a structure very similar to the U.S. pay-per-channel pay cable approach with the addition of allotting 15 to 20 per cent of gross revenue to Canadian production as the price of admission to a licence. While it might produce significant money for Canadian programs, there is no inherent positive dynamic approach to develop them, promote them, or even use them at all. This approach really suggests the proliferation of more and possibly less desirable U.S. content in Canada, yet still leaves the industry at the mercy of the subscriber attitudes noted before which reject anything unusual or unconventional.

Other proposals suggest greater producer or even government control. Demands for all-Canadian content seem economically non-viable – a sad comment on the development of our production and program resources. Many submissions favour the pay-per-program concept as fairer to both the consumer and the producer and more likely to diversify content.

The Council of Canadian Filmmakers' proposal suggests a universal channel, i.e. cable subscription rates would be raised \$3.00 and four movies a month would be supplied – two Canadian and two U.S. This would obviate any expense for security or metering, but the extent of disconnects imposed on the cable operators is difficult to estimate. This approach might be only moderately disruptive to Canadian broadcasting, least likely to massively increase U.S. content in Canada and most productive of money to Canadian programs. Whether the public, the press, or the politicians would tolerate it is most questionable.

Table 4-7

Summary of Selected Pay-TV Proposals

Organization	Ownership/Control/Implementation	Billing
Association of Canadian Television and Radio Artists	Pay-TV decision should be delayed for further study, public hearings should be held.	Pay-per-program
American Federation of Musicians		
Canadian Actors' Equity Association		
Canadian Labour Congress		
Canadian Association of Broadcasters	Pay-TV network privately owned, controlled by broadcasters with public and cable participation. Introduction of pay-Television should be postponed.	Pay-per-channel with pay-per-program objective.
Canadian Broadcasting Corporation	Request CRTC public hearings. Suggests a pay-Television network with directors from public and private sectors or CBC-2, a minority interest programming cable channel.	Vague — inference supports pay-per-channel and CBC-2, "sounds like universal pay-Television".
Canadian Broadcasting League	CBL does not want pay-Television. If inevitable, they want "test-bed" for study of impact. Control by independent public agency owning all pay-Television hardware, commissioning, purchasing all programming, running the network, distributing signal nationally. Profits to go to additional programs and Media Development Fund.	Universal subscription of cable users.
Canadian Cable Television Association	Fully endorses PTN proposal, wishes implementation without delay of privately funded national organization commissioning, acquiring, distributing English and French pay-Television programs. 50% ownership held by cable companies.	Pay-per-channel
Canadian Conference of the Arts	Does not advocate immediate implementation. Recommends pay-Television be under firm regulatory control, asks for public hearings, debate.	No model proposed.
Canadian Film and Television Association	Careful but definite implementation of pay-Television. Suggest federally-chartered licensed monopoly, profit oriented with broad share-holder base as ownership system. Hardware and software operations must be separate.	Pay-per-program
Canadian Film Development Corporation	CFDC believes it is the most suitable government agency to administer pay-Television and the levy fund. Advocates delay of decision until public hearings held.	Not stated. (CCFM claims similarity to PTN model).
Channel 79, Ltd. (Moses Znaimer)	Advocates a two-tiered system: 1. Exhibitors who would distribute pay-Television (Exhibitcos). 2. Profit motivated public or private regional networks (Programcos). Exhibitcos to get 45% of revenue, networks 55%.	Not stated.

Summary of Selected Pay-TV Proposals

Organization	Ownership/Control/Implementation	Billing
Consumers' Association of Canada	CAC believes implementation at this time to be premature but recognizes long-run inevitability. Prefers establishment by a non-governmental body with public interest concerns. Concerned with federal/provincial jurisdiction over communications, regulation of cable.	Estimate 30% penetration of cable subscribers at additional \$8.00/month.
Council of Canadian Filmmakers	Want federal crown corporation, "Canadian Pay Television Network" to administer purchase, invest in programming, should have two language concerns, regional offices.	Universal mandatory cable system, increased cable rates \$3.00 month/subscriber. After five years shift to pay-per-program.
Directors Guild of Canada	Want a public hearing to discuss pay-Television feasibility re hardware.	Pay-per-program, each to cost \$3.
Global Television CanWest Broadcasting Western Approaches	Propose two models: Model 1. Postulates "target television." Model 2. Global has a back-up model which it will test for two to three years.	Model 1. Pay-per-channel universal delivery. Model 2. Pay-per-channel.
PTN — Pay Television Network Proposal	Wants no delay in implementation. Monopoly cable network to handle program purchasing, marketing, distribution. Will invite non-cable interests to board of directors. (One-third to one-half).	Single pay-per-channel eventually moving to pay-per-program multi-channel in distant future.
Quebec Cable and Film Production Companies	Recommend delay in implementation for improved hardware. Private corporation agency 51% owned, controlled by cable interests which would produce, co-produce, purchase, distribute programming; "adequate partners" credible to government and production used in administration.	50¢/per month/per subscriber for Quebec cable subscribers, i.e. universal mandatory delivery evolving to pay-per-program.
Western Coded Television Ltd.	Suggest crown corporation not profit motivated to acquire, distribute and administer, wants two language networks, does not wish a delay.	Pay-per-program each box \$125.00.

Table 4-8

Summary of Selected Pay-TV Proposals

Organization	Delivery System	Programming	% of Revenue to Canadian Production
Association of Canadian Television and Radio Artists	Common carrier without responsibility for programming.	Should be non-profit public agency to acquire, commission, and schedule programming paid for by funds collected by common carrier.	
American Federation of Musicians			
Canadian Actors' Equity Association			
Canadian Labour Congress			

Summary of Selected Pay-TV Proposals

Organization	Delivery System	Programming	% of Revenue to Canadian Production
Canadian Association of Broadcasters	Cable in metro areas, off-air UHF in others, satellite transmission as alternative.	Pay-TV network should acquire, produce, commission programs not already shown on commercial television. Must meet Canadian content requirements (50%) eventually leading to 100%. No mention of in-house production. No paid advertising.	Major portion of profits.
Canadian Broadcasting Corporation	Cable (assumes 25-30% penetration).	While admitting need for minority interest programs, CBC denies viability of such programming in subscriber-supported television. Seems to assume inevitability of U.S. model, <i>i.e.</i> sports, feature films.	75% of profit to all broadcasters for Can. production, 25% of profit to CFDC. 28.5% of gross revenue to Canadian producer.
Canadian Broadcasting League	National signal distribution via satellite with local cable delivery mandatory, over-the-air pay-TV where no cable exists. Cable channels to be leased with no control over them by cable companies. Concerned that commitment to technology now may be premature due to possible obsolescence.	Must offer significantly different programs than commercial television to avoid siphoning, should be national in character, serve French and English. Want Canadian content quota established by CRTC: 30% first year to 75% fifth year.	21% of gross revenue in first year, rising later, Media Development fund revenues derived from tax on cable incomes, \$1.00 per subscriber per channel plus pay-TV network profits. 60% to commercial television; 20% to CFDC; 10% to commercial cable channel; 10% to grants for film, television production.
Canadian Cable Television Association	Existing cable plant facilities.	CCTA rejects Canadian content quota, test-bed experiment of different technologies, cable, broadcasters' consortium. New corporation should provide high quality programs distinct from commercial television. Pay-TV must be based on American model.	
Canadian Conference of the Arts	No model proposed.	Questions definition of Canadian production. Pay-TV begun with American model would not facilitate rehabilitation to Canadian viewing.	"Whole point of pay-TV (after profits) is to recover funds for production."
Canadian Film and Television Association	Cable common carriers, different in future.	Argues for 100% Canadian programming catering to cultural interests.	An important concern, no figures.

Summary of Selected Pay-TV Proposals

Organization	Delivery System	Programming	% of Revenue to Canadian Production
Canadian Film Development Corporation	Not stated (CCFM claims similarity to PTN model).	Advocates quota for Canadian content based on a "flexible" definition. Program production to be conducted by private sector. CFDC assumes American pay-TV model of programming.	Levy of pay-TV gross revenue not less than 15% to Canadian producers.
Channel 79, Ltd. (Moses Znaimer)	Cable or off-air.	Suggests regional networks might reduce Toronto-centred programming. Expressed concern with structure rather than programming.	From each dollar of gross revenue, networks get 55¢, 45¢ of that goes to content. Canadian producers get a full 45¢ for their programs; 25¢ goes to U.S. productions, and 20¢ to Canadian Film Re-Investment Fund.
Consumers' Association of Canada	Common carrier should distribute signal for 15% of revenue.	Recognizes necessity of high quality Canadian programs, rejects American model of mass interest programs. Model provides for bulk of funds to be channelled into Canadian production.	Suggest 85% of revenue should go to create Canadian-based software industry.
Council of Canadian Filmmakers	Satellite with microwave connection and possibly mds and bicycled tape for remote areas. Cable and off-air to allow universal access.	Canadian content not less than 60%, should attempt 80%. French, English programs should be offered with dubbing and frequent repeats catering to mass and minority programs.	Over 50% of gross revenue spent on Canadian production.
Directors Guild of Canada	Privately-owned cable hardware, national distribution by cassette.	Advocate HEP-Television (Happiness-for-Everyone television), propose a yearly schedule of 144 features, each repeated eight times. A preview channel and audience voting may cater to mass appeal; CBC suggested as minority interest programmer.	Cable owner to get 50% of revenue, producer of show 50%.
Global Television CanWest Broadcasting Western Approaches	Model 1. Mandatory cable delivery, no need for security. Model 2. Global will transmit scrambled signals to the head ends of cable companies in the Ottawa-Windsor corridor. Non-cable subscribers can use antenna, decoder.	Model 1. Advocated 100% Canadian content minority interest programming, reject American model. Specialized programs to be produced. Model 2. Mass appeal programming.	Model 1. \$1.00/month increase for cable to go directly to programming, i.e. 85% to Canadian programming. Model 2. Not stated.
PTN—Pay Television Network Proposal	Cable for local distribution; bicycled videotape for national distribution.	Will depend on U.S. feature films. Proposal offers 5% Canadian content rising to 18% in 1982. Promises Francophone arm.	15% to Canadian production. 25% to foreign production.

Summary of Selected Pay-TV Proposals

Organization	Delivery System	Programming	% of Revenue to Canadian Production
Quebec Cable and Film Production Companies	Local delivery via micro-wave, bicycled cassette; nationally by satellite; initially by existing cable.	Production done for cable secondarily for pay-TV. Agency will concentrate on new types of programs complementing PTN with regional interest programming.	Recognize need for using pay-TV revenue for Canadian production
Western Coded Television Ltd.	Off-air "box" to permit access to non-cable subscribers (CCFM says too high a commitment to technology).	Canadian content quota should start low, reach 50%.	45% to production, full 45% to Canadian producers on dollars earned, 20% of money earned by foreign product to go to Canadian production fund.

6. Summary

Cable has changed the broadcast viewing habits of the Canadian populace. Increasingly U.S. programs are being watched, particularly by our younger people, at the expense of our own shows. If not at present, then ultimately, this will have an impact on advertising revenues accruing to Canadian stations and Canadian programs. Since U.S. television content, particularly among the most-watched shows, is high in violence, it follows that cable, while weakening our own broadcasting system, raises the level of violent content in the home. The solutions seem to lie in the larger issue of restructuring our overall broadcasting system. Sanctions and moral suasion might influence our Canadian broadcasters to cut back on violence, but it would place them at an even further competitive disadvantage and hardly affect half the homes in Canada.

Pay-TV is still too immature to have developed its own unique content. It is still too small and dependent on existing sources in film and television. For the present it must seek content not immediately available on television, i.e. newer movies or inexpensive events. These are strong indications of economic pressure to provide the kind of films unsuitable for broadcast – sex and/or possibly violence – to maintain a difference from freely available conventional television.

Noll, Peck, and McGowan, in their 1973 study *Economic Aspects of Television Regulation*, with reference to the Hartford experiment, observe:

Having low regard for conventional fare, television reformers would find little solace in a proliferation of the programming that sparks their criticisms. But all subscription television (STV) experiments and the past experience of cable systems indicate that the greatest unsatisfied demand is, in fact, for more of the same.²⁹

The State of the Art – Newer Technologies

A. Introduction

This chapter is devoted to discussions of the uses of the newer technologies applicable to the visual mass media with some thoughts on their possible consequences to society in terms of the dissemination of violent content. In the past, the exploitation of mass media technologies has been through traditional industrial methods. Therefore, we can expect that the greatest determinants of the ultimate application of these newer technologies will be those economic forces of profit-making. Until now, in many instances, the public has funded much of the original theoretical and initial prototype work. Unfortunately it has been our practice so often, in the absence of a strong political will and because of the huge sums of money required, to leave most of the final developmental risk and exploitation to the marketplace, e.g. Telsat, optic fibre, and in a sense, broadcasting. The regulatory processes come after the fact.

Many futurists and social philosophers, such as Weiner, Bagdikian, Fuller, Illich, McLuhan, Toffler, Kahn, et cetera, have attempted to predict the consequences of the electronic revolution in terms of processes abstracted and somewhat removed from the existing or soon-to-exist devices with their content capabilities and the economic rationales for their development. This theorizing is useful and stimulating but for the near term the application of the newer technologies will be based on the profit (not prophet) motive. The decision on which hardware will be developed and exploited first, and the needs its software are presumed to serve will be dependent to the largest extent on current investments, current kinds and libraries of content, and current indications of consumer demand. Novel ways of combining technologies may well be bypassed, socially useful applications may be neglected, unless some industry clearly sees a future pay-off or the state determines what standards must be met. What will be possible and what will be profitable are two different questions. The answers to both could be very wrong but the second answer will have much more to do with what is actually done.

An example might be helpful. To the consumer the videodisc technology could offer a wide variety of

exciting possibilities for entertainment and self-enrichment, particularly if coupled with other developments. However, it would appear that the strongest thrust will be to mass market a player which will generate new revenue from old feature films and develop a new market for future Hollywood product. That the player can do other things may be a merchandising plus, but to have a capability to record – a highly desirable feature to most consumers – obviously would not serve the investor's interests. Even a profit on the player may be foregone if securing the mass market means to monopolize the software production, manufacturing, distribution and sales. (Kodak doesn't make its money on selling cameras.) An incompatible machine, although of greater technical sophistication and versatility but dependent on selling at a profit, stands little chance in this marketplace. The consumer is then "locked in" to his investment and the content that goes with it. It is with this rather more pragmatic viewpoint in mind that this chapter is written.

Most of the newer technologies discussed below are far advanced from the theoretical stage and the actual mass marketing is simply awaiting the last refinements of an operational technology and/or the economically opportune circumstances. Although this is not a technical paper, it was thought useful to bring together some fairly detailed information on the whole topic, synthesize it, and present it along with some inferences on how visual content may be affected in the future and what bearing this may have on the topic of violence in the communications industries. Summaries of these implications will be found at the conclusion of each of the three main subsections as well as at the end of the chapter.

In order to organize this chapter, each of these newer technologies has been categorized into one of three basic functions in a communication system – the *storage*, *delivery* and *exhibition* of information. The term information is used in a very broad sense and refers to the rate or amount of changes encoded into an electrical, photographic, or radio frequency system necessary to store, transport, and exhibit the desired communication whether it be television programs,

movies, computer data, facsimile, telephone calls, remote sensing, electronic mail, et cetera. The chapter then will be divided into:

Storage Systems – those media capable of retaining information which may be accessed later, usually replicated, and sometimes re-recorded on for further storage. A current example would be a videotape on which is recorded (stored) a television program. The tape can be played back (accessed), dubbed to other tapes (replicated), or a new program can be substituted on the tape (re-recorded). With respect to programs (television and film) the main storage technologies in use are magnetic tape and photographic film. The future includes many refinements in these and new technologies more akin to computer memories or audio records. The topics dealt with later include

- new videotape formats
- videodiscs
- digital storage devices
- video games

Delivery Systems – the major developments in this area involve the ability to transport large amounts of information, possibly over long distances, and particularly into (and out of) the home. Conventional television broadcasting is limited to sending a few channels of television programs in a given community into homes within range of the transmitters. Present cable can increase the number of channels but has limited range and in order to provide service on the additional channels it may have to be supplied with distant signals by means of a delivery system such as microwave. Both broadcast and cable are at this time essentially one-way systems and permit no immediate feedback or point-to-point communication. Some of the newer delivery systems which will increase greatly the amount of information to (and from) the home are nearing readiness for exploitation. Many of the problems concerned with implementation are economic ones pertaining to the cost of the technology, the need for mass production to bring the costs down, the cost of rendering obsolescent the existing plant, the cost of the content or services that could be supplied, and the consumers' willingness to pay the necessary costs. Topics included in this section are:

- two-way cable
- optic fibre
- satellites and direct broadcast satellite (DBS)
- multi-point distribution systems (MDS)
- laser

Exhibition – Some efforts are being made at improving the means of exhibiting the information, particularly with respect to television sets. The conventional 19 to 26 inch screen and poor sound system impose some modifications on the type or style of the content. Changing the size or quality of the picture is fundamentally limited by the present standards, e.g. 525 lines 30 times a second, National Television Standards Committee (NTSC), the North American standard. A

drastic change would render obsolete all the existing television sets, but short of this some changes are anticipated:

- big screens
- stereo sound
- holography (in the distant future)

It is only for purposes of organization that devices involving the functions of storage, distribution, and exhibition have been so compartmentalized. They interact in profound ways and a development in one "area" may well revise advances in another. For a long time progress in the two-way cable which would permit home terminals to interact with a large time-shared central computer for programmed learning, problem solving, et cetera, was heralded. However, the spectacular revolution in semi-conductors and now large scale integration (LSI) leading to ever cheaper microprocessors and mini-computers may well place these capabilities almost entirely in the home. If we were to combine these technologies with something along the lines of the videodisc, then the need for two-way broadband cable (and some of its revenue sources) becomes that much more remote. Conversely, the possibility of say, viewing horse races and conducting off-track betting from the home, even having the betting transactions instantly transferred to and from the bank, could precipitate two-way cable long before more socially desirable functions ever could.

B. Storage Systems

1. New Videotape Formats

Ever since the development of the video tape recorder by the Ampex Corporation, a large market has been anticipated for selling home playback and recording units. It followed that there would be a large market for prerecorded material distributed direct to the home on tape – content of the consumers' choice with the convenience of playback at anytime. This was the natural corollary to the developments in audio tape of cassette and eight track tapes. Originally broadcast standard playback required two inch tape moving at 15 inches per second in order to get the required fidelity of picture. Such a system was prohibitively expensive in the mass market, but in time a number of companies developed smaller standards such as one inch, three-quarter inch, and half-inch systems. In time, the quality improved and with the advent of colour television, which required less resolution in the picture, these narrower and slower moving tapes became acceptable in many applications. Eventually, the Sony Corporation made the breakthrough with the U-matic three-quarter inch system. This device, however, was more applicable to schools and institutions than for use in the home since the cost of a half-hour tape was about \$30.00. Previously, two major systems had attempted to invade the home market – the RCA EVR and the Cartravision, but both of these were dropped in 1973, having cost the developers about \$50 million each.

In a recent surprise move the Sony Corporation revealed the Betamax, which is similar to the earlier U-matic but uses a half-inch tape which brings the cost of a one-hour tape cassette down to about \$16.00.

The introduction of the Betamax is causing great concern among those companies planning to bring out videodisc technology in the near future. The record/playback unit costs \$1,300 in the United States, somewhat more in Canada, and offers the convenience of recording programs from one channel while another is being watched or while the set is unattended. Sony claims that all the Betamax does is to serve as a "time shift machine", which allows viewers to watch programs they would otherwise miss. Sales seem to be running at 5,000 units a month and were estimated at 20,000 to 25,000 homes in November 1976. Sony projects that by next October there will be 60,000 to 70,000 homes equipped with the new device.

As yet Sony has distributed no preprogrammed tapes but it has expressed interest in aligning itself with production and distribution firms. Although Sony denies it, most experts suggest that the cost of a cassette plus the cost of the program content will well exceed that of programs distributed by videodisc. It is significant that Sony underestimated the amount of tape each Betamax customer might buy. Instead of the assumed six to eight tapes, it has been more like twelve to eighteen and whenever a special event such as *Gone with the Wind* is about to be telecast, dealer's shelves have been emptied of tape. MCA Inc. (one of the major videodisc contenders), through its film-making subsidiary, Universal City Studios Inc., in joint action with Walt Disney Productions, has filed suit to stop Sony Corporation of America from selling the Betamax machine. They contend that this capability of taping programs leads to violation of copyright protection and provides viewers with access to film libraries of "inestimable" value. (This parallels the controversy when the first audio cassette recorders were introduced, which was resolved in the U.S. with the Sound Recording Act (1972) making it a criminal offense to copy music for sale or distribution. However, the Act allows individuals to copy a friend's album or to record from the radio for use in the home.) MCA has indicated that if the Betamax succeeds it might preclude the development of the videodisc industry. While the Betamax can record programs and with an optional camera allow home taping, the disc systems would appear to be considerably cheaper in both the cost of the players and the recorded programming. The implications to content in the home if the Betamax becomes widely distributed will be similar to some of the implications of the videodisc technology discussed next.

2. Videodiscs

a) Videodisc Systems

No one is certain just what impact the videodisc will have on the current mass media or on society at large. It

does seem clear, however, that the impact will be very great over the long run. *In an unregulated form it is quite possible that the videodisc could completely subvert the intent of the Broadcasting Act and make the present discussions over cable and pay-TV obsolete.*

There are or have been at least 25 videodisc systems, all but one of which were developed since 1970. In 1936 78 rpm discs providing six minutes a side for playback on a mechanical television system were actually sold in Selfridge's Department Store in London for seven shillings; this lasted four months.

At the present there seem to be about five or six systems, none of them compatible, in final development and imminently about to be marketed. In fact, one of them – the Telefunken/Decca System or TeD – went on sale in West Germany in March 1976 and has now expanded sales to Austria, Switzerland and Sweden but has met with slight success.

The various systems can be divided into electro-mechanical and photo-electric. The former involves a stylus in contact with a groove on a disc similar to audio records; however, the disc revolves at much greater speeds and the groove is much finer. TeD and the RCA Selectavision fall into this category. The photo-electric systems are based on a light source (usually a laser) reflected from or passed through the disc, e.g. the MCA/Philips Disco-Vision, the Thomson-CSF system and the i/o Metrics system.

i) TeD

While TeD has the distinction of being the first videodisc to reach the consumer markets, sales so far have been disappointing but also reflect the general economic climate in Europe. Widely regarded as TeD's major drawback is the playing time of the disc. This is limited to ten minutes which is partly due to the size of the disc (about 8½ inches) to allow direct pressing into magazines or newspapers (the disc itself is only a tenth of a millimeter thick) – a possibility already experimented with by one German publisher although it is not expected to be exploited commercially until at least 1979. Another drawback is that the program master must be film, preferably 35 mm, and is transferred to disc at only 25 times real time without the possibility of monitoring the mastering process by visual display.

Although software is being steadily developed, the TeD system was released with a library of only 50 titles and has now only increased this number to about 100. On the whole, this programming is dreadfully unimaginative and primarily consists of travelogues or how-to-do-it demonstrations. In Germany, Austria and Switzerland efforts are directed toward the mass-consumer market. In Sweden, they are aimed at the educational and institutional trade. The machine sells for \$650.00 and sales have been estimated at 2,000 units from 6,000 in distribution and 15,000 produced. To get around the ten-minutes time limitation Telefunken has developed and recently demonstrated a new player/changer which

with a four-second interval between discs, permits two hours of continuous programming.

TeD is a truly mechanical system. A floppy plastic disc, containing a hill-and-dale cut spiral groove, rotates at 1,500 rpm on an air cushion generated by the disc's rotation. A diamond stylus in a piezo-electric pickup functions as a transducer, converting variations in pressure between the disc and the head into an electronic signal. The disc surface is therefore sensitive and the disc, along with its cover, is fed directly into the machine which removes the record for play and returns it to the cover so that it is never touched by human hands. Since a stylus makes contact with the disc, some wear is involved and the life of the record is assumed to be about 1,000 plays. The stylus also is subject to wear and must be exchanged from time to time. Discs with content sell for about \$10.00. A true still frame is not possible but very short sequences can be continuously repeated. "Browsing" is possible.

ii) Philips/MCA Disco-Vision

Possibly the leading contender in the videodisc is the yet-to-be-released Philips/MCA Disco-Vision. This merger of the Dutch Philips Company and Hollywood's MCA Inc. combined the electronic work of both (which had been very similar in principle) with MCA's access to an 11,000 title library of feature films through its subsidiary Universal Films. MCA has also made a number of agreements for non-exclusive use with a number of the other major studios. Philips brings to the partnership not only electronic expertise but a domestic consumer marketing capability (Magnavox) perhaps not even matched by RCA, Decca, or Telefunken among the other contenders.

Although previously announced to appear in time for the Christmas trade in 1976, most estimates suggest that it won't be marketed until late 1977. Philips/MCA has announced to the surprise of the industry that they will pursue the institutional and educational market first. It had been anticipated that for most of these systems the mass market would have to be sought first. The cost of mastering the software for limited production runs would raise the cost per disc greatly for such a small market. Conversely a mass market would not be responsive unless there was considerable programming available in wide distribution. Since Disco-Vision incorporates a very sophisticated informational storage and retrieval system, it may succeed in the institutional area first. The metallized, reflecting disc – rigid or floppy – contains a continuous spiral track composed of minute pits. A laser beam directed onto the track is reflected back along the light path in varying intensity due to the pits. A beam splinter directs the returned light through a photo-diode detector for signal processing. For NTSC the disc rotates at 1800 rpm and at 1500 rpm for PAL and SECAM (European Standards). Each revolution produces one frame and each frame can carry a numerical identification permitting any one of the 54,000 frames to be recalled and frozen simply by pressing the relevant

number out on a keyboard. On the basis of equating a single frame to half a page of printed material each disc which ordinarily contains 30 minutes of television content could contain 27,000 pages of printed material – or roughly the Encyclopedia Britannica on one disc. Slow motion, reverse action and "browsing" are also possible.

Philips says the helium neon laser assembly will cost around \$10.00 in mass production (although there is some speculation that there are problems in this area) and that players will cost \$400 to \$500 at launch date, with discs at \$2.00 to \$10.00 each retail, depending on programming. (It is assumed that most of the videodisc systems will be introduced into the market at less than normal retail mark-up in order to facilitate their mass distribution.)

Recording is in real time and replication is by pressing in polyvinylchloride (pvc) from stampers made from the master. After pressing, the discs are coated with metal and a transparent protective layer. Dust or dirt which gathers on the disc surface does not affect quality as it is out of focus. Since nothing comes in contact with the disc there is no wear involved. Discs should have a perpetual life.

iii) RCA Selectavision

The RCA Selectavision is the other main contender in the videodiscs' sweepstakes. The system is designed with one function in mind – to provide home entertainment and information – and is argued to be cheaper than the Philips' MCA system. It differs considerably.

First, the RCA system employs a grooved disc with positive stylus tracking, which eliminates the need for expensive servo loops. Second, the stylus used is cheaper to manufacture than a helium neon laser assembly. In the player, only this pick-up is a non-standard component.

The 12-inch disc is made of pvc which, after pressing, is coated with metal and dielectric layers. Information is recorded as slots of varying width and spacing in the bottom of the groove. Signals are derived from the capacitance between the metal on the disc and at the tip of the stylus. In a process very similar to audio record manufacture (except for the original master) a total of 125,000 copies can be made from one original master. Recording speed has gradually been increased and has reached real time.

One drawback of the system is that the slower speed – 450 rpm, required to maintain relative stability – means that four frames are recorded per revolution, eliminating the possibility of freeze frame capability. Playing time per slide is 30 minutes and both sides can be used.

RCA has another problem: it has no software of its own. This is being overcome in two ways: by buying up old movies and self-improvement films and by trying to influence potential licensees. Of all the major companies RCA has been the most secretive and the least ready to give demonstrations except to the trade and then only by invitation. RCA's videodiscs are expected to last in

excess of 500 plays, while stylus life is 300 to 500 hours at which time a new snap-on stylus can be obtained for \$10.00.

iv) Thomson-CSF Optical Videodisc System

The Thomson-CSF is a French development and is in many ways very similar to the Philips/MCA Disco-Vision. It uses a laser optical system but rather than reflecting the light from the surface of the disc, the Thomson-CSF has utilized a transparent disc and shines the light through it. The Thomson player has the same freeze-frame and random access capabilities as the Philips/MCA – each 360 degree track is “numbered” so any picture can be located within two seconds.

Figures supplied by Thomson indicate that the discs will cost between \$2.00 to \$10.00 depending on quantity and programming. However, even in units as small as 20 copies the Thomson compares favourably with U-matic cassettes. Thomson's marketing plans are unknown but it is assumed that they may be first directed at the institutional and educational areas. Although the system is quite similar to Philips/MCA they are not compatible.

v) i/o Metrics

Generally regarded as an outsider, i/o Metrics is well advanced and is still in active development. It is a laser based system employing a helium neon laser source to record FM analogue signals in the form of a spiral track on a 12 inch disc.

The disc is made of standard photographic materials and is processed in ordinary photographic chemicals – a process claimed to require minimal expertise – with a total dry-to-dry time of ten minutes. Replication is by photographic contact printing. Each disc can contain up to 50,000 frames. For data applications, discrete concentric circular tracks can be recorded rather than a continuous spiral track. The company claims that the photographic system is “a natural choice” for small runs (less than 1000 copies). Replay is achieved with a miniature 13-watt incandescent light bulb shining through the disc with the beam focused by a microscope objective and a movable mirror onto an avalanche photo-diode video detector.

The laser recording unit to make the discs is expected to cost less than \$30,000, the player under \$200.00 and the discs about 20 cents each plus program costs. A retail price of \$5.00 per disc has been quoted. i/o Metrics has also experimented with bonding discs into sandwiches with a carefully configured optical system permitting refocusing from one layer to another. Four layers is regarded as a reasonable practical limit, offering about 90 minutes playing time from one package. Apart from domestic entertainment and general information the applications envisaged include audio recording, computer peripheral storage/retrieval and graphic data storage.

vi) Magnetic Disc Recording (MDR)

MDR, although a relatively limited application, is potentially a possible major system insofar as it is the

only imminent system with a user-record capability. MDR is somewhat analogous to a video cassette since the recordings can be made in real time which is a distinct advantage over some other approaches, but it suffers from the drawback that all copies must be made individually even though multiple slave copying is clearly feasible. The disc originally rotated at 78 rpm but was modified to double that speed – 156 rpm. The 12-inch disc itself is rigid and coated with a fine-grain magnetic substance jointly developed with BASF. The outer area of the disc surface is impressed with a continuous spiral groove which guides a stylus on the record arm. This guides the magnetic record pickup head which is in contact with the smooth disc surface. Disc life is claimed to be in excess of 300 plays. Prices quoted for the impending launch in France is about \$700.00 for the player and about \$9.00 for blank discs.

vii) Other Systems

Of the remaining 19 or so other systems it is conceivable that one may turn out to be a real winner. However, the economics involved are far more complicated than simply arriving at a viable technology. It appears that only huge companies with the capability of providing the right mix of programming and marketing and the ability to sustain heavy investments and early initial losses will have any chance of succeeding. It is anticipated that some of the major systems may merge to the extent of having a compatible technology. At the moment the majors appear to be going it alone. Although it is felt that maybe more than one technology could find a viable market, it is obvious that not all of them can succeed. (Dr. John Locke, University of Toronto, has developed a laser videodisc technology with both record and playback capabilities. The cost of the unit – \$2000 to \$3000 – probably precludes it from the consumer market for a long time.)

b) Videodisc Economics

Previous attempts to launch a home video player for the mass market have been failures for one or more of three crucial reasons – reliability, price and programming. Premature launches of various film or tape cassette systems are estimated to have cost the industry \$250,000,000 so far.

By far the greatest attention has been focused on the potential of videodiscs in the mass consumer market. Experts believe that there is going to be a completely new form of entertainment tailored to television discs. However, no one knows just what this will be. What is agreed is that penetration of a videodisc system must reach between three to ten per cent of a market like the U.S. in order for the system to support original programming. This would mean that there would have to be between half a million and a million and a half videodisc players in distribution. The consensus of projections appears that with a late 1977 introduction, it would be between three to five years before the one million figure is reached. This penetration then would

probably be much slower than television itself or colour sets or high fidelity equipment. Taking into account the cost of producing a program, the mastering and duplication, and royalties (15 per cent approximately) a 60-minute program produced in 50,000 copies would sell in the area of \$25.00 to \$40.00. The 50,000 copies relates to five per cent of one million players sold. It is obvious then that in the initial years of videodisc the programming will be highly constrained to relatively few topics that must be widely sold since the initial base of players in use may well be slight.

c) Programming

At the First International Videodisc Programming Conference held in New York, November 17 to 20, 1976, a number of experts gathered to attempt to assess what direction this new technology would take in programming. It was agreed that technology does create its own art form and much was made of the changes that took place in audio content with the transition from the 78 rpm record to the 33 1/3 long-play record. Roland Gelatt, the music critic, pointed out that the LP first followed the repertoire of the concert hall but the changed economics allowed small companies and new repertoire to emerge. This led to new kinds of music to be heard, e.g. baroque, Telleman, Vivaldi and Mahler. Operas by the minor masters gained recognition and this led even to the change of the repertoires of the existing opera companies. If there were a lesson here it was that there was no lesson; there was a new audience for new contents. Film authority Hollis Alpert noted that he was "surprised to realize that his own music taste was profoundly affected by technology." Critic Judith Crist questioned "how many times are we going to look at a movie?" She anticipated that movies are going to become longer and slower (*Barry Lyndon*) and that the B movie no longer exists. She categorized movies as either exploitation or major event. "In between goes to television." The consensus was that the medium would develop new messages but that it would be some time in finding just what these are. One panelist strongly felt that the successful launching of videodisc would depend on some "gimmick". Much as Betamax excited the imagination through its convenience of storing and delaying programs for replay at convenience, videodisc would have to find something stronger than simply the ability to play back movies.

Suggestions in this area of "gimmick" included the little discussed topic of pornography. It was conceded that pornography would probably be an important but not overwhelming aspect to the content of videodisc. A number felt that the videodisc offered the responsible parent the opportunity to provide high-quality children's programming in the context of the home providing enrichment for children, i.e. the classics, the fairy tales and suitable adventure dramas. It was also noted that children particularly like repetition of favorite stories and the videodisc would permit this.

(Some agreed but felt that the videodisc player might become a babysitter allowing the parent a clearer conscience.) Due to the tremendous information storage capability of the videodisc, a wide variety of applications for in-home learning and extremely sophisticated video games involving highly intricate branching techniques would be possible. It was noted that a multimedia learning system only becomes practical when the conventional media, computer instructions, and control signals can be combined in a conveniently stored, easily delivered package, that is also cost effective when many copies are made and distributed. The videodisc is an ideal form for combining the media and the computer instructions. Videodiscs not only store conventional video and audio they can be thought of as broadband electronic storage devices capable of playing back extra channels of audio, computer codes, or whatever, along with standard NTSC video and audio. Laser scan videodiscs have the added advantage of displaying still frames for any length of time, and random access of both still and motion sequences.

Because of the above educational applications, the United States Navy conducted the most extensive research into the possible future application of videodisc. The Navy Personnel Research and Development Center (NPRDC) asked a group of experts to predict some of the effects of videodisc technology looking forward ten years after videodiscs had first become available to the public. To predict the diffusion of videodiscs in all its markets and applications, the researchers at NPRDC turned to the "Delphi" research technique developed two decades ago by the Rand Corporation. The Delphi technique allows "the systematic solicitation and collaboration of expert opinion." The study involved a panel of 150 experts who were polled in such a way that specious persuasion and bandwagoning could be eliminated. The panel of experts predicted:

- i) The videodisc will allow individuals to pursue a college degree in their homes.
- ii) Attendance at paid cultural events (dance, drama, music, films) will not suffer due to the videodisc but there may be reductions in cinema attendance for pornographic films.
- iii) At least one home in 20 will own videodisc players; in 1987 up to one-fourth of all television sets built for home use will have videodisc players built into them, and videodisc "changers" will be available for those willing to pay for them.
- iv) There will be standardization through marketplace elimination of inferior systems, although the panel could not agree on a prediction that a single system will be universal by 1987.
- v) Videodisc "periodicals" will combine motion and still visuals; these periodicals along with the availability of "non-perishable" performances in record stores will probably increase the broadcasting of "now" actualities by stations and networks.
- vi) The panel was close to consensus that four-

channel (quadraphonic) sound would be standard for videodiscs.

vii) It was improbable that small audience television programming (symphonies, ballet, opera) would be eliminated by comparable disc programming, at least by 1987.

viii) The panel agreed that, in general, short playing albums (single discs, perhaps with longer playing times) will out-sell long playing albums.

ix) Give-away videodiscs will advertise movies and describe political candidates.

x) The panel thought that "maybe" Sunday newspapers will contain give-away videodisc reports of the previous week's news and sports events.

xi) The need to combine audio, stillframe, and random access capabilities in instructional videodiscs will change educational media production techniques.

xii) College courses designed for home study will also be used in secondary schools by advanced students.

xiii) Videodisc "packages" will be available for college credit courses. Non-credit educational pursuits, such as "how-to" discs, will be popular.

xiv) Advances in videotape technology will not provide competition for the videodisc.

xv) The current marketing concept of ownership of existing motion picture titles on videodisc will be less popular with the consumer than mass communications, e.g. volatile periodical video magazine concepts.

xvi) Given the availability by the end of 1977 of at least one videodisc system and a sufficient quantity and diversity of programs, then in ten years time the public will have two million player units.

xvii) Given roughly equal programming resources between a video tape system and a videodisc system, a consumer would be more inclined to buy the disc system if it costs one-third as much as the tape system, but not if the disc system costs two-thirds or more of the tape system (Videodisc versus Betamax).

xviii) There will be significant shifts from centralized education to decentralized education.

xix) Various audio visual media forms, i.e. motion (film or tape), stills (graphics, film strips, et cetera) consolidated on videodisc, will have made television presentations by 1987 the rule rather than the exception.

To date, much speculation has centred on films as videodisc programming material. Both systems (Philips/MCA and RCA) envisage a high degree of consumer interest in movies – current and near current releases, and collectors' items like *Casablanca*. Consumer studies indicate some interest in this area. The question of how many times would you want to watch even your favourite movie is usually answered by "how many times do you read a book, but you go out and buy it". It is certain that at the outset both disc systems will depend heavily on movies, a commodity that MCA, which owns Universal Pictures, a movie library and a record company, is well equipped to supply. MCA already has a brochure out showing full-

colour album covers for such movies as *Airport*, *The Day of the Jackal*, *Thoroughly Modern Millie* and *The Sting*. It predicts that *Jaws* will probably be on discs. It should be noted that a number of the major movie companies were very reluctant at first to release content to pay-TV in the expectation of the videodisc. Universal has only recently made product available for pay-TV. RCA claims it has rights to over 1,000 titles but states that it will start with 250, with the ability to add rapidly as the market dictates. (An RCA analysis of top-ten grossing films annually 1965 to 1975 indicates that although Universal produced 12 per cent of total pictures during that period it had only 5 per cent of top-ten features. This counteracts the MCA claims to the value of their library of 11,000 titles.)

MCA has indicated that beyond its own programming resources, it has acquired and will continue to acquire programming from outside sources. Warner Bros., to cite one example, will make its feature films available on MCA Disco-Vision videodiscs. Included will be such titles as *The Exorcist*, *What's Up Doc*, *The Immigrants*, and *Blazing Saddles*. Twentieth Century Fox has done likewise and includes *Towering Inferno*. Paramount Pictures has also indicated willingness to be released on MCA's Disco-Vision. However, these arrangements are not exclusive.

In attempting to ascertain consumer interest, an RCA survey showed that feature movies led all categories, followed by drama, opera, music, then children's programs. Program surveys didn't mention pornography as such, but did include X-rated films. They weren't at the top of the list, but there was good interest in them. Some X feature films but no hard core porn may go out with RCA label. Both systems, Disco-Vision and Selectavision, initially and later will offer a broad variety of material beyond feature film. Generally considered are children's programs, sports and special-interest features such as cultural programs and "how-to" features. The first of the MCA cultural disc series, already produced, is *Museum Without Walls*, which comprises 11 films made under the supervision of British art historian, Douglas Cooper. MCA's catalogue also includes material drawn from its Universal subsidiary, including such curious ideas as *The Best of Dragnet*, *The Best of Kojak*, and (believe it or not) *Raymond Burr Speaks to the Laymen on Your Legal Rights*. RCA points out that "[MCA] must buy films from others, too. MCA may be a theoretical two per cent of the feature library [RCA] would like to get." It appears that in the past year RCA has negotiated licensing deals which include 100 pre-1974 feature films from Twentieth Century Fox, and 200 features from the MGM library. The RCA videodisc catalogue has such classic films as *Singing In the Rain*, *Citizen Kane*, and *The Magnificent Ambersons*, and such non-feature material as the *David Bowie Rock Performance*, cartoons, opera, ballet and instructional programs on golf, cooking, needlepoint and home repair.

The great problem in the videodisc industry is anticipating just what kind of programming will open up the mass market to the sale of videodisc players. The leading contender, Philips/MCA Disco-Vision, in recently announcing a first attack on the educational and institutional market may well be going counter to what MCA Inc. wants. The industry is caught in a "chicken and egg" problem. To provide low cost discs there must be a mass market of players, and to get a mass market of players there must be a low-cost disc. The replication cost of the discs is very low, but the cost of "mastering" is high, which means that many copies must be produced to achieve a profit. When used as an information storage and retrieval system, the high cost for a single disc in the institutional market may not be critical. However, to companies holding a stockpile of feature films and having a motion picture production capability, the mass market is certainly the objective.

3. Digital Storage Devices

The whole computer/data processing industry is based on a different system of encoding, processing and distribution of information known as digital. The television, radio and telephone systems work in analogous techniques. Transfers from one system to the other are quite possible but each has its own efficiencies. Over the last two decades revolutionary changes have taken place in the digital field and the costs of handling memory and computations have subsequently diminished. Technologies which at one time were only available at great cost to huge institutions are becoming cheaply available in the home, e.g. pocket calculators of ever increasing sophistication and ever declining cost.

The development of integrated circuits, including large scale integration noted above, has permitted this revolution in the handling of information. Parallel capabilities in the storage and accessing of memory are just now being developed. At present, high speed access and large scale storage are found associated with computer complexes. Referencing a tape or disc is slow work for a high speed computer. Most of the "wired world" concepts include remote terminals in the home for accessing large computers. This implies the broadband (cable or optic fibre) connection to the computer, point-to-point service, and time sharing with the computer. It may well be that long before a truly switched two-way broadband network could be operational, microprocessors and mini-computers using additional information storage and retrieval from devices similar to videodisc or other current developments could well obviate the need for this application of two-way cable.

A new device on the market stores a few seconds of audio information in a computer-like memory, and playback does not depend on a moving tape or disc but is held in a solid state electronic code within the device, similar to a calculator holding numbers. The message can be broadcast as frequently as called for, changed by

entering new information, and doesn't need to be "re-cued" to the beginning but can be started instantly at any time (random access). Although a long way from handling the information necessary for a video program which simulates motion, intermediary technologies, e.g. charge coupled devices (CCD) and combinations with other existing technologies may well move the huge central library functions associated with two-way cable concepts into the home.

Early indications of this decentralizing shift are taking place in industry. IBM, the leader in the \$20 billion computer industry and basically a manufacturer of large leased computer installations is moving into "distributed data processing" where users process data locally on mini-computer networks. These computers are sold for \$4,400.00 to \$6,200.00 plus costs of main memory capacities. At present the market for distributed processing amounts to four per cent of the computer industry. Experts predict that by 1980 it will amount to 17 per cent or \$5.6 billion.

4. Video Games

The current fad of video games, although likely to fade quickly in its present state, is indicative of the early capabilities of large scale integration (LSI) applied to home entertainment. Supply could not meet demand, and it is estimated that in 1976 3.5 million games worth \$229 million were sold. Most experts predict a short product life for these first efforts, but newer approaches indicate much greater versatility and sophistication. Changeable "programs" and subscription services have entered the market. Combined with videodisc or video cassette and even built right into the television set, the possibilities for programmed learning and complex games involving branching structures (wherein the next set of circumstances are dependent on the previous responses chosen by the learner or player) become virtually endless.

Again a trend is apparent to decentralize the technology and move away from dependence on a sophisticated broadband delivery system.

5. Summary

Until recently, the communication delivery system has been regarded as the answer to providing greater options and diversity in the content available in the home. In the case of conventional cable the addition of ever more channels and particularly channels of consumer supported programs (pay-TV, either by monthly subscription of with a per-program fee) has appeared to be the next step. To further broaden the mix and individualize service, various schemes of accessing libraries and large computers have been forecast which depend on various techniques of sending signals upstream from the home to a central source, or even from home-to-home. However, this section on storage of information has strongly indicated that developments in videodisc and other technologies may well

remove a lot of the consumer demand which would assist in the financing of a true "wired world" concept. Although the technological capabilities exist to design "ideal" systems, the evolution of the various components which are dependent on very immediate and direct economic returns will certainly preclude such logical integrations. There has been little evidence in the last four decades in Canada of any coherent and comprehensive planning in this regard, and invariably the technologies develop in some diffuse pattern, become well entrenched, and are then subjected to regulatory pressures.

Much of the above space has been devoted to videodisc. Although a number of problems are still plaguing this technology, it appears certain that its North American mass marketing will begin in late 1977 or early 1978. Expert projections vary but the consensus is that videodiscs are coming, that they will proliferate much more slowly than did television or radio, but that one million sets in five years, and two million sets in ten years is not an overly optimistic projection. The videodisc birth and maturation of the industry could be far more dramatic. The programming in the mass market will initially reflect content similar to current television and movie fare with the notable addition of pornography. Videodisc players may have considerable initial appeal to the more affluent family whose members are light television consumers and moviegoers but who wish to determine when and what they watch. Future programming will likely move toward interactive programs, topical digests and subscription services much more akin to current print practices. Eventually the programs could be coupled with advertising in much the same way as magazines are today; ultimately programs may be given away for the advertising contained in them. The players are relatively expensive (\$400 - \$500) but once in wide distribution the disc manufacturing costs can be in the order of a few pennies each. A new type of "direct mail" can be foreseen.

With respect to violence, there is little that can be forecast about videodisc. That some of the player's market-ability will be assisted by consumer access to exploitative film in the privacy of the home is noted. The major companies are not stressing this, nor are they likely to. They may even have restraints on what is deemed suitable for reproduction by their processes - processes over which they have considerable control. In the case of the tape machine (Betamax) there is no such manufacturer control. Anyone can dub a tape, and already many X-rated films are available in 3/4-inch format suitable for play on home tape machines.

Some of the significance of these new developments lies in their effect on existing systems. It has been noted that the motion picture industry continually must seek content sufficiently different from conventional television to warrant attendance at the box office. Television, although subjected to many internal and

external constraints, continually moves to areas of more and more "relevance" and explicitness. The competition for the limited leisure time and dollar of the consumer following the introduction of videodisc may cause further adjustments. At the outset, videodiscs would appear to be predicated on current program styles and formats. Thus the discretion of viewing a wide range of content from G to X is left much more to the individual home. Some thought will have to be given to whether or not videodiscs of feature films and programs should involve licensing by the Theatres Branch.

In the case of our broadcasting system the unregulated videodisc means further fragmentation of audience and proliferation of U.S. content. Possibly it would be damaging in areas of public information and education - areas in which, heretofore, there has been some Canadian autonomy.

C. Delivery Systems

1. Introduction

At present the technologies for delivering a television program to the home consist of over-the-air broadcast or cable. Microwaves (higher frequencies than standard broadcast) are used to transport the television signals from tower to tower, or to space and back for long-distance transportation. In terms of the amount of information carried, one television channel equals about 1,000 simultaneous telephone calls. So far, broadcast and cable as applied to television, are one-way and non-switched systems - everybody gets the same thing from a single source, and can neither originate into the system, nor receive specific content which is not simultaneously available to somebody else using similar receiving equipment. In the case of broadcasting, there is such a scarcity of channels that it would be impossible to have other than a few licensed stations operating. In the case of cable, certain return feed options are possible and are generally referred to as two-way cable.

2. Two-Way Cable

Reference has been made earlier to Telecinema of Columbus which has the ability to measure which channel a particular set is tuned to and for how long. This depends on a small transmitter at each set broadcasting this particular information "upstream" to a computer at the cable head end. Only small subsections of the cable system can be opened up and measured at one time, since many of the little transmitters must use the same frequency and all of them broadcasting at once would be indecipherable at the present state of the art. About 12 practical experiments of various techniques of two-way cable are being conducted at this time. None presuppose fully two-way point-to-point switched systems analogous to the telephone system, since this required an immense switching apparatus and virtually a cable or pair of cables linking every home to an exchange. All the experiments attempt to do is

provide some return from the home to the central head end and possibly some determination of which home gets which program.

The basic application of cable in North America has been to fill a number of channels with programs so that the home viewer can select from among these channels using the tuner on the television set and possibly an additional converter. Rediffusion Ltd., in England, uses a different concept. A pair of wires (not a cable and therefore only applicable to relatively short distances with a single channel) goes from the head end to each home. One wire carries a television program, the other sends information to the head end to indicate which program should be sent. When the subscriber dials a program, he is not tuning to a particular channel, but instructing the head end which program to send. This increases greatly the number of program choices that could be made available, but limits the home to a single choice at one time unless another pair of wires is available for a second television set. This approach begins to approximate the telephone system in that separate wires connect each home to a central office; however it is a long way from permitting home-to-home broadband contact. The earlier notions of the "wired world" were seriously debunked when the actual costs were projected. Billions have been spent in capital investment in the lowband telephone system. To convert this into an equivalent broadband system would take many times that amount. However, some partial approaches are being pursued. Many depend on broadband one way and a limited response upstream in the cable or via telephone. The kinds of services these capabilities will be developed for will be directly related to the economic return expected.

In the foreseeable future the first stage of development will be associated with being able to identify these particular homes. Anonymous responses may be interesting for popularity contests and public opinion polls, but no obvious way to make money from this service is apparent. (This statement may be proven false – the author admits lacking some newer highly confidential information.) Once a home can be identified (similarly to computer identification of subscriber-dialed long distance calls), an array of possibilities is presented, e.g. pay-per-program television, meter reading, remote sensing for fire and theft, emergency calling for police, fire, and ambulance by simply pressing one of three buttons, in-home shopping and gambling, and information retrieval. If this element of impulse purchasing is combined with direct access to bank accounts by means of electronic transfer of funds, then so much more potent will be the economic pressure to exploit the service. However, for television in-home selling, the same kinds of legislation which governs door-to-door sales (specifying cooling off periods, et cetera) are clearly indicated. Apparently the Bank Act would have to be amended before electronic funds transfer would be legal and at this point the debate

would commence. With respect to plebiscites or national referenda, amendments to the Election Act would be required. It seems unlikely that representative government would be permitted to change drastically. That the technology for instantaneous voting is possible is hardly synonymous with an economic return. (Letter ballots have served this purpose in the past in some applications, but never for political elections).

The implications for violence in the content of two-way cable centres in the wider choices and increased U.S. content possible in pay-TV and pay-per-program systems. These have been dealt within Chapter 4. Should two-way cable later evolve to include library access, then the initial form will be one person or group requesting and paying for a program when they want it. If specifically addressed or scrambled they would have exclusive use. Whether it is exclusive or not, the requestor pays for the privilege of determining the content and the time it will be shown for which a fee could be charged. Neither violence nor much of an economic return seems likely.

In six Quebec municipalities centred on St. Hubert, the Videotron Company has provided eight channels of library service at no charge on a "first-come, first-served" basis. It does allow the community to "eavesdrop" on each other's tastes, and programs are drawn from a library of 2,500 titles. The primary objective of this service is to provide a further inducement to gain subscribers to the cable system. It also reflects the owner's dedication to community service.

Although this service is not strictly two-way cable since the requests are telephoned, eventually some simple up-stream technology could provide the calling function and it does currently operate in a two-way sense because the system is responsive to the subscribers. The eight "auto-programmation" or demand channels are available to the 20,000 subscribers and provide programs obtained from free sources (70 per cent National Film Board and Radio-Québec). The subscribers receive a catalogue every four months and recent additions are included on a program information channel. Each of the eight channels is dedicated to a subject area: Arts, Sports, Students, Science and Education, Social Affairs, Children, Golden Age, and Leisure. If there is no request on a channel, it is left blank. Apparently about 3,000 requests are made each week, at all times of the day or night. The local services cost the operator \$350,000 a year or about one-sixth of the annual gross revenue, but they do show a saturation of 43 per cent, which is nine per cent higher than National Cablevision in nearby Montreal. The auto-programmation service appears to be highly regarded (second to the off-air basic service). Whether such a service on a fee-per-request basis would be revenue-productive is unlikely. If copyrights were involved and the content included entertainment, the system would probably fail. However, it does show what can be done in striving for

interactive programming and active participation from the community.

As cable moves closer to being operated as a telecommunications common carrier (Manitoba) and various operators lease channel space for specific services, it becomes more difficult to place responsibility on operators of revenue-producing services to lease additional channels to provide free public service. The problem has not yet been thought through.

From the above discussions it is reasonable to conclude that in the near term, cable developments and the introduction of pay-TV will primarily disseminate more of the present typical mass media content. Even as the capacity for more diversity rises and responsiveness to individual requests improves, this role may well be eclipsed by in-home playback units such as videodisc, probably as a component of a really comprehensive audio/video home entertainment centre. There is a trade-off in costs involved between using a central source with a multi-channel access delivery system as opposed to control of playback in the home at personal convenience. Neither system will eliminate the other but the cost reductions and increased capabilities of cable associated with optic fibre technology are some time away, at least in North America. Videodisc will probably be established before then.

3. Optic Fibre

a) The Japanese Field Trial

On November 15, 1976, an interactive cable television network experiment began test operation in Japan. Preliminary studies of coaxial cable indicated that its limitations in sheer bulk, cost, and relatively narrow transmission area per cross section of cable would not match the geographical scope, multi-channel requirements, and future flexibility envisaged in the proposed communications network. Optic fibre provided the answer, although it had been reputed to be ten years away. Using light frequencies transmitted through a hair-thin glass fibre which is stronger than steel, lighter than copper, and (when mass produced) far cheaper than cable, large amounts of information may be handled.

The field trial will include 300 subscribers in the Higashi Ikoma area, a model city near Osaka, about 300 miles west of Tokyo. After performance-evaluations, plans call for the project—called HI-OVIS (Higashi Ikoma Optical Video Information System) to be extended to other parts of the country. In essence the communication technique is similar to Rediffusion Ltd. in England which links each home with a pair of wires, but in this case, a pair of optic fibres is used with their much greater information capacity. This system begins to achieve the wired nation concept and this first field trial is projected to cost \$15 million over three years with actual installation of fibre optics to begin in 1978 and evaluation to be completed in 1979. Both analog and digital signals will be used.

With central and regional computers providing the necessary controls, the HI-OVIS test subscribers will use equipment installed in their homes to interest with the system via keyboards in a number of ways:

- i) Request television programs. The computer activates the video information storage and transmission unit, switching the designated program for automatic transmission.
- ii) Request data. Requests are transmitted to the subscriber in still-picture form at his option, including all types of specialized information, such as news.
- iii) Facsimile. Hard copies of video information can be obtained, including a home "newspaper".
- iv) Computer-assisted instruction. Still pictures and video materials are used as an educational service for both school-age children and adults. Questions and assignments appear on the screen of a multi-channel home television receiver with a built-in memory. Students respond on the keyboard, with their understanding evaluated by the computer, which regulates the progression of the teaching program in accordance with the capability demonstrated by each individual. Typical courses are mathematics, Japanese and foreign languages, chemistry, and vocational training.
- v) Cashless transactions. Store and restaurant bills, rent, and utility charges are among those that can be paid through the system, with deductions made automatically from the bank account of the subscriber.
- vi) Television shopping and reservations. Goods appear on the screen of the home television set, together with prices. The subscriber can order via keyboard input. Payment is made automatically from bank accounts. Theatre, restaurant, and travel reservations can be made in essentially the same manner.
- vii) Television retransmission and independent television broadcast. This includes current CATV services, plus independent broadcast of stock market reports, time checks, weather reports, local news and various announcements of interest.
- viii) Request FM and independent FM. Many audio programs can be rebroadcast at the subscriber's request. Independent broadcasts consist primarily of music.
- ix) Burglar and fire alarms. Detectors are installed in each home so that the central computer can sense any abnormality, such as intrusions, excessive heat and smoke, and respond as indicated. For example, alarms can be transmitted to police and fire station, and instructions relayed to the household on emergency measures to be taken while safety units are on the way.
- x) Telemetering and telecontrol. Electricity, gas and water meters are read automatically and charges settled as cashless transactions. Telecontrol service makes it possible to regulate household electrical appliances and heating and cooling systems from outside the home.

This list embraces practically all the features attributed to the most sophisticated two-way cable. The Japanese believe success will depend on keeping the home terminal equipment below \$3,000 (high by our

standards) and on community involvement. They look on this information transmission system as the model for the modern "information society".

The objectives for developing such a system are not based on profit return but on national social goals. A number of satellite cities, "The String of Pearls", are being planned. These wired cities will give Japan a wider and more comfortable choice of home sites without cultural isolation. The overall objective with its emphasis on education, information and corollary services, is to seek to augment productivity by enhancing the quality of life for 110 million residents (on the premise of zero population growth).

b) Other Recent Applications of Fibre Optics

In these last two years amazing strides have taken place in this technology. Stronger and better fibres are being produced ever more cheaply and more and more they are being incorporated into existing situations. Rediffusion in England has installed some of their trunk in optic fibre, as have TelePrompTer in New York, and the Bell Systems, in Georgia. Canada is well in the forefront with the work of Dr. Elmer Hara of the Communications Research Centre and the studies currently taking place at Bell Northern Research, both in Ottawa.

Other applications of fibre optics include such diverse items as automobile wiring, fighter aircraft (weight reduction – one-third the weight of copper wiring), and the Department of National Defence, the latter because the system is highly secure and can't be "bugged" in conventional ways while being impervious to outside interference. Cable systems are studying these developments closely and see applications to trunking in the near future.

c) Implications for Content

In the absence of some all-embracing communications strategy, as exemplified in Japan, where both the telephone service and all the two-way cable features will be carried by fibre optics, this technology in North America will only slowly find applications within the present structure. Possibly it will be applied more comprehensively in areas as yet unwired. Both Manitoba and Saskatchewan have been taking keen interest in the technology as a means of extending modern telecommunications more widely, even to the farm, for primarily social reasons, e.g. the right of all citizens to equitable telecommunications services and the reduction of cultural isolation. Without some such political will to direct the overall implementation of fibre optics then this new technology will simply be patched into the current system to replace obsolete parts. Once the cost reductions in fibre optics take place, pay-TV closed circuit ("pirate") operations may become economically viable on a much larger scale. This is not a very strong reason for an immediate pay-TV policy, but one that will grow in time.

4. Satellites and the Direct Broadcast Satellite (DBS)

a) Domestic Satellites

Canada pioneered the development of a domestic communication satellite – Anik I, which has been followed by Anik II and Anik III. A domestic satellite is positioned 22,300 miles above the equator and orbits around the earth at the same speed and in the same direction as the earth turns (synchronous). It therefore continuously maintains the same position relative to the earth's surface (geostationary). The purpose of this is to have, as it were, a microwave tower out in space. On land, microwave signals can be blocked by intervening objects or lost due to the curvature of the earth. A terrestrial microwave system is repeated from tower to tower, each spaced approximately 34 miles apart. A satellite in space can serve a whole continent.

Canada's domestic satellite system or Telsat was established in 1972-1973 to provide northern communications, supplement existing terrestrial microwave, and distribute television programs in the two official languages to the whole country. Programs are received at earth stations costing about \$100,000 each which use a ten-meter dish to collect the signals. These signals are then passed on to a local broadcasting transmitter or are carried via terrestrial microwave to more distant transmitters. Each Anik has the capacity for 12 television channels of a mix of television, telephone, data information, et cetera.

At present nine domestic satellites serve North America – Telsat's Anik I, II, III; RCA's Satcom I and II; Western Union's Westar I and II; and AT&T/GTE Comstar I and II. All use the same frequencies (6 GHz up, 4 GHz down) so that they must be separated by about three to four degrees of arc in space and the earth receiving station must be aimed accurately at the satellite it serves. Because of this separation in space, there is only room for about 20 such devices which could serve North America and already parking space is being rapidly filled. After an initial slow start, the U.S. is using these satellites in a most aggressive way. A multitude of private line, specialized common carriers, data handlers, et cetera are using their services. Most noteworthy to this study is the relatively cheap nationwide distribution of television programs, particularly pay-TV. Both Home Box Office (HBO) and Optical Systems Inc. lease channels on Satcom and Westar respectively. The Corporation for Public Broadcasting has entered into a seven-year agreement with Western Union to lease three transponders (up to six channels) for \$800,000 each a year. The latest figure for HBO for using Satcom probably is under \$1 million. In Canada, Telsat quotes costs in the order of \$2 million for equivalent service.

The impact on the content has been to provide an instantaneous delivery system which permits the addition of "live" events at a cost not much greater than bicycling video cassettes. Objections have been raised that the HBO fixed "menu" of programs when univer-

sally applied, fails to provide for regional and local differences in taste. Optical Systems Inc. on Westar, plans to provide four different packages which permit the local pay cable operator a number of options in his bill of fare. So far, outside of "live" events, the delivery system has been used essentially to distribute feature films. In the near future, because of the anti-siphoning regulations, the most attractive revenue addition would be the heavyweight fights. This may have to wait until some metering system is added to charge for special events. However, the last Ali-Norton fight was carried by four cable systems in Florida.

b) The Direct Broadcast Satellite (DBS)

The previously discussed generation of satellites are low power and require an expensive earth receiving station. Currently being tested are experimental satellites using a higher frequency band (14 GHz up and 12 GHz down) coupled with much more power.

Canada has launched, with American assistance, the Communications Technology Satellite (CTS) Hermes, the world's most powerful communications satellite. Hermes is the advanced technological forerunner of a new breed of satellites, oriented toward the provision of improved broadcast distribution and able to provide thinly populated areas with new communication services such as tele-education, tele-health, community interaction and government administration. Hermes not only pioneers the use of a new satellite frequency band, it is also about 30 times more powerful than present communication satellites. This makes possible the use of new, portable earth stations with antennas as small as one metre in diameter. Already, experiments have been successfully conducted using Hermes to link London's University Hospital with Moose Factory General Hospital and a remote northern nursing station at Kasechewan, Ontario; and to link Carleton and Stanford Universities for an innovative course-sharing project, for two examples.

The U.S. has been involved with a Satellite Instructional Television Experiment (SITE), a direct broadcasting experiment with India. The project provided hygiene, agriculture, birth control and nutrition programs to 2,400 rural villagers for four hours per day. Television sets were surrounded by 200 to 1,000 people, and resulting from the enthusiasm and general beneficial effect, the Indian government has decided to purchase a communication satellite to be launched in 1980. The Ford Administration decided in February 1976 not to renew the SITE contract. Official Indian explanations stated that NASA could no longer spare the ATS-6 satellite but U.S. State Department sources stated that the contract would probably have been renewed if a different political climate had existed.

At the recent World Administrative Radio Conference in Geneva, six hundred delegates from 113 countries met to parcel out the air waves of outer space. International agreement on such issues has become

crucial as worldwide television broadcasting has been made a reality. The key problem has been international allocation of the high frequencies required for direct broadcasting from satellites to the home set. The recent U.S.-India SITE project has allowed an alternative to the expensive earth receiving station to be considered. The direct system would be of special benefit to large countries such as Canada. It would help to eliminate the expensive ground network of relay facilities, but each home would require a more expensive dish antenna on the roof aimed at satellites parked over a spot on the equator which would be stationary in relation to the earth.

Problems exist in the technology however and in its administration. Satellites work on solar power and would therefore be off-the-air for a period each day. Northern countries like Canada, would further have a problem with the angle of elevation of the satellite, making reception impossible for towns on the north side of a mountain. Administratively, several countries have claimed sovereignty of the atmosphere thousands of miles above their territories and such claims must be internationally resolved. Of some 112 U.N. member countries, only the U.S. has voted for unrestricted use of direct broadcasting. All other nations have voted no, and Russia has declared its intent to "remove" any DBS which violates its airspace.

The implications of direct broadcasting are similar, but on a global scale, to the spill-over or common-coverage problems which now beset Canada. Many nations are carefully observing our struggles with this problem and are determined to protect themselves if at all possible. Not only is there a proliferation problem but the whole current broadcasting structure in North America would be radically changed. If the major networks plus some independents were permitted such continental delivery then local stations based on local coverage areas would possibly be destroyed along with their community service. In all likelihood cable would cease to exist if 12 or more channels beamed down from space. The extension of telecommunication services that are somewhat dependent on broadcast delivery revenues would be sharply curtailed. The DBS is not ten or 15 years away. Hermes operates on a \$500.00 earth receiving station. Similar antenna technology is now approaching the \$60.00 to \$100.00 range. An operating satellite could be launched in three or four years. It is obvious that defensive global regulations must be sought not only for television broadcasting but also to protect some semblance of telecommunications sovereignty. (On the other hand, if scrambled pictures were encoded and delivered from a Canadian DBS, and control of decoders were maintained within national boundaries; then a cheaper "cleaned up" version of present cable basic services plus pay-TV could be made available nationally.)

5. Multi-Point Distribution System (MDS)

This technology (not licensed in Canada) is an omnidirectional microwave system which permits the distribution of a number of television signals to small dish receivers at a range of up to about 30 miles surrounding the transmitter. The primary purpose has been to "connect" as it were a number of apartment buildings and high-rises which were then internally cabled. These signals from the MDS head end would arrive at much less cost than through trunk cable.

The receiver picks up the microwave signals, down converts them to VHF channels and puts them into the cable. This system has been particularly applicable to urban centres in the U.S. where passing homes by cable is not economically sound, but where high-rises and condominiums do offer a substantial return. Since only two channels are available, MDS is basically a pay-TV distributor.

The economics were based on \$1,200.00 for a receiver and down converter per complex served, which meant at least a minimum of 200 units in each to show a profit. Recently the cost of the receiver and down converter is estimated to have dropped greatly to somewhat below \$100.00. This cost is now getting into the range wherein individual homes (in line-of-sight) might participate. The dish and down conversion is very similar to what would be needed to receive signals from a DBS. These systems are showing considerable growth and have become an industry of their own. In Canada, this technology has been used to link schools with a central source but has never been licensed for commercial use.

The implications for content are simply those of increasing the potential number of pay-TV subscribers in the U.S. and more solidly establishing the industry. (MDS is also often used for data services and related telecommunications functions.)

6. Laser

A laser beam (a harmless one) can be used for point-to-point communication much more cheaply than trunk cable. At present it is not generally available but by definition it is not regulated as a broadcasting device since it operates at frequencies well above 300 GHz. Some operators have suggested using this technique in much the same way as MDS while avoiding federal regulation. However, it is conceded that the definition would be revised promptly.

7. Summary

The main conclusions to be drawn from this section on delivery systems include the following:

a) That improved multi-channel cable or optic fibre delivery can greatly increase the variety of programs available, and with techniques for demand programming and information retrieval can lead to much more interaction between the consumer and the system.

b) That if the implementation of these innovations is

left simply to the marketplace then in-home devices such as videodisc players or video cassettes will probably gain a substantial control over this aspect of consumer demand first and further retard these cable developments.

c) That fibre optics plus a political will could lead to an integrated system offering both commercially viable and socially useful services.

d) That the imminent DBS could be a very cheap, equitable delivery system but many of the social consequences of an unregulated continental system are highly undesirable.

e) That, given the present telecommunications and broadcasting infrastructure, then by and large, the most likely additional services in the near future will be predicated on the wider distribution and increased quantity of foreign content at the expense of Canadian production and our cultural identity. This also means increasing the amount of content associated with themes of violence.

D. Exhibition

Not much change is anticipated in our conventional television receiver but there are increasing calls for improvements. The sound, although of quasi-FM capability, is poorly reproduced and the picture compares unfavourably with European standards which are somewhat higher. Recently with the advent of pay-TV, Hollywood producers have begun to call for much larger screens and stereo sound so that the event-pictures and spectacles will achieve some of the impact they have in the cinema.

1. Big Screen

Electrohome in Canada and the Advent Corporation in the U.S. are starting to manufacture large screens for educational use, commercial use (taverns), and even homes. They are still quite expensive and because of the 525-line standard, the picture suffers in definition in much the same way as a photo enlargement of a poor negative. To change the line standard would mean making every television obsolete in North America unless a compatible change were devised, such as producing new big-screen sets with 1,050 lines which would require a signal at double the present standard. Conventional broadcast stations would probably be unable to supply it but videodiscs or improved cable could. The big screen of today seems unlikely to penetrate the mass market because of cost and quality. There are some possibilities in the distant future of large flat picture screens but these would need much higher information rates, possibly in digital form.

2. Stereo Sound

The present technology of the television set will not permit stereo sound. One of the problems is that the sound information is quite separate from the picture information and is modulated differently (FM as

opposed to AM picture). Very frequently the sound reaching the set is of a very low order since it originates from a film track (six KHz), or it is distributed by land line (eight KHz) and a better quality speaker would make little difference. One suggested improvement is to transmit the sound along with the picture during horizontal retrace and some networks are moving toward this. Only when the broadcasting stations also follow through and new sets are equipped to detect it, would the consumer benefit. Videodisc technology is capable of excellent sound and this may be one of the selling points. This quality of sound may have to be reproduced over an adjacent hi-fi set and quadrasonic sound on videodisc is predicted to be the standard in 10 years.

3. Holography

The ability to project three-dimensional pictures in space was first demonstrated in 1948. As yet no commercially viable application to mass media distribution has emerged. Some of the videodisc technologies depend on holographic techniques to encode the information for two-dimensional playback. The basic problem with holography lies in the huge amount of information of band width required to transmit a holograph, plus the complex equipment needed to project the image. It has been speculated that optic fibre could handle the information task but this appears remote for at least a long time. Holography in the home could provide startlingly new content with awesome impact, but not in the near future.

4. Summary

Having once standardized our television system, changes which would make all the existing sets obsolete are inconceivable. Videodisc players built into or wired directly into the set offer considerably improved pictures and sound. Some technical changes in transmission, e.g. circular polarization, may also improve broadcast pictures by reducing interference and ghosting. No startling changes are foreseen in the near future.

E. Summary

Currently there is an explosion of technological developments each advancing the implementation of conflicting systems. Videodisc and integrated circuit technology move us away from centralized distribution and a sophisticated delivery system. Optic fibre by reducing the cost of broadband transmission and increasing the information capacity of "cable" makes centralization more economically practical. Direct Broadcast Satellites could take over completely the television station delivery function of cable at much less cost. A few nationally or continentally delivered television stations could wreak havoc with the conventional local over-the-air broadcasting system. In these circumstances it is difficult enough to determine an

ideal comprehensive and integrated system which should be pursued in the light of our social and political requirements, even without regard to the economics. If it is left to the marketplace to decide, the investor is at least as cautious and indecisive. There are too many imponderables which threaten long-term investments—too many huge vested interests already contending. In this climate financial wisdom dictates pursuit of speedy direct returns—therefore in the near future look to pay-TV and videodisc predicated on known successful content, which means more of same.

Conclusions and Recommendations

A. Conclusions

Economic factors have varying degrees of influence on filmmaking and television programming and the presentation of violence in film and television. Among the factors shown to have some impact are the market size, the proximity of markets, the competitive nature of the industries, the assessment of audience and preferences or market demand, costs of production, and distribution and exhibition infra-structures and practices.

It has been shown that the film and television industries are highly competitive, commercial enterprises whose objective is to maximize size of audiences and therefore profits. In doing so they will attempt to minimize production costs in producing and focusing on those types of films and programs which have the greatest proven and perceived potential in attracting audiences. The violence theme has shown itself to be a comparatively good cinema box-office draw and has generally received comparatively high ratings on television. While violence-oriented films and programs are not necessarily less expensive to produce than films and programs of other themes given the current mix of themes and formats, producers believe that violence possesses a greater degree of certainty in attracting audiences. The comparative success of violence-oriented films and television programs, in relation to their costs of production, has produced a built-in economic inertia for them to perpetuate.

Successful theatrical films featuring violence as the theme have been produced at both high and low cost as have less successful films, and this is also true of non-violent films. The cost of production does not appear to have a major bearing on the success of a film, although higher-cost films obviously permit greater flexibility for the producer in his choice of story, cast, director, location, sets, et cetera. However, the theme, a star cast, a famous director, expensive story copyright, or any of a number of other variables in movie-making are not necessarily, by themselves, or even collectively, a guarantee of success. Much depends on the manner in which they are combined, together with audience preferences and the timing of release. Violence as a theme appears to be attractive because it lends itself to a

highly formulaic pattern and does not necessarily require good acting and a good story to connect sequences and hold audience interest and attention. Acting and story quality have more importance in the case of drama, traditional romance, comedy, adventure or spectacular historic events. It appears that films of violence offer a reasonably good box-office draw and can be produced reasonably quickly and in abundance on consistently moderate to low-cost budgets. While other types of film themes can also be produced for approximately the equivalent cost, these other variables combined with the apparent greater certainty, or perceived certainty, at the box-office have caused producers, particularly independents, to concentrate on the violence theme.

A similar situation is found in television programming. Police/ detective programs, where much of the violence is found, are not the cheapest to produce, nor are they the highest-rated category of programs on television. Comedies are generally cheaper to produce and on the average have received higher ratings. Comedies, however, are deemed to be more difficult to produce, requiring good scripts and cast performances for success; often suffering in the syndicated market. In contrast, police/detective programs follow a highly formulaic structure and weak plots and acting can be covered with vigorous physical action. They have stood relatively high in the Nielsen ratings chart and on the whole have been relatively consistent. In addition, they tend to appeal to the 25-34 year age group which advertisers are most anxious to reach, and they have good syndication value.

While violence appears in both theatrical film and television programs, the violence in television tends to be less graphic and more subdued or subtle. But the fact that violence does appear on television has likely contributed in part to the extreme nature of violence in theatrical film, coupled with the increasing tendency toward more open sexuality, profanity, et cetera, currently found in films. Theatres are in direct competition with television, and many theatrical film producers believe that they must offer theatre-goers entertainment of a type that they cannot obtain from

television. The result has been an increasing tendency toward graphic violence and sex which generally have received a restricted film-censor rating and which appear to appeal to a sufficiently large theatrical audience, and consistently enough, for movie-makers to perpetuate the trend. The evidence indicates a greatly increasing proportion of X- and R-rated films to total film in the last few years.

In Canada, market size is a major factor in the production of both theatrical film and television programs. Canada represents a relatively small market, one-tenth the size of the U.S., and only the exceptional Canadian-produced film, if produced on a modest to low-cost budget, can expect to make a profit if distribution is restricted to the domestic market. Similarly independent producers of television programs have contended that they cannot cover costs of production if sale is limited to the Canadian networks. Producers of both film and television programs must look at the foreign market. In the past, the U.S. market has been the most attractive but the most difficult to enter.

The U.S. film industry is the dominant factor in the production, distribution, and exhibition of Canadian-made films. Not only is the Canadian market for domestic films small, these films must compete with U.S.-made films and the Hollywood image. A very large portion of theatrical billings in Canada are American billings. The major film distributors in Canada are primarily Americans who have working agreements with U.S. producers or distributors, thereby assuring them of a constant supply of films. The two major cinema chains in Canada, Famous Players and Odeon, are foreign owned and have occasionally been accused of favouring foreign films. Canadian producers, outside of this production/distribution/exhibition structure, with limited financial resources and limited distribution expertise and facilities, must nevertheless compete within these constraints domestically and attempt to gain access to foreign, including the U.S., markets. Consequently, Canadian film producers have tended to follow the Hollywood film format, concentrating on themes which appear "safer" in terms of possessing a degree of certainty at the Canadian and U.S. box-office and which in addition can be produced and distributed at relatively low cost, and these have included themes of violence, sexuality, and horror.

The proximity of the Canadian and U.S. markets is a dominant factor in the television industry. The two countries practically form a common market for U.S. television programs, and U.S. programming is a major determinant in Canadian television programming. Canadian and American viewer preferences and viewing habits are very similar, and for Canadian television stations in a common-coverage area, or in an area served by cable, to deviate significantly from the types of programs shown in the U.S. generally means a loss of audience and consequently advertising revenue. American networks have been shown to offer little

diversity in their programming in prime time, concentrating on three or four program types, namely police/-detective, action/adventure, movies, and situation-comedies. The first three, particularly police/detective, are frequently violence-oriented. The homogeneity of program schedules and games of counter-programming frequently offer the viewer little choice. CTV to a large degree, and CBC to a lesser degree, follow these programming patterns. U.S. programs can be purchased by the Canadian networks at only a fraction of the cost of Canadian-made (network or independent) programs and have been shown to be preferred by Canadian audiences.

Violence in theatrical films and television programs is an established fact. In film in particular, more graphic violence has been increasingly combined with open sexuality and profanity, resulting in an increasing proportion of feature films being placed on the "parental guidance" or "restricted" list by film censorship and classification boards. Censorship boards and obscenity laws appear to be the only restraints on feature film content. In television, concern over violence prompted the U.S. networks to enter into a voluntary agreement to restrict violence in the early hours of prime time. Concern has also been expressed by numerous groups in society, such as the National Association for Better Broadcasting (NABB). This group, along with others, has launched an assault on violence in television by concentrating on the sponsors of violence programs and urging the public to shun the sponsors' products in the market. To date a number of companies have specified that their products not be used to sponsor programs of violence but as yet a definitive trend in this direction is not clearly discernible.

However, material too recent to be included in the body of the report indicates that these citizen horror-abatement and anti-violence campaigns are having some results. The NABB headquarters in Los Angeles started contacting advertisers whose spots on the local television station, KCOP, were being used during late afternoon and early evening showings of movies filled with totally gratuitous horror and violence. Fifteen of the two dozen sponsors contacted have removed their spots from the movie programs. The station, while denying that its action was in any way influenced either by public concern or sponsor withdrawal, has moved some of its worst horror films from Saturday afternoon to late Sunday evening.

Throughout the U.S. the American Medical Association and National Congress of Parents and Teachers have passed resolutions condemning excessive violence on television and are starting programs, both independently and jointly to "actively oppose" the products and services of advertisers on such programs. The PTA has established a committee which will hold regional meetings across the U.S. The National Citizens Committee for Broadcasting is now prepared to release

a specialized series of reports on prime-time violence. These reports, which consist of summaries and profiles on a regular basis, available three working days after the close of each week, are the result of an ongoing project employing six monitors. Basically, the reports cite the five most "violent" and five least "violent" sponsors based on participation in the five most and least violent program from 63 prime-time shows.

The implication of the above is that citizen action on the economic front by identifying and publicizing "violent" sponsors is perceived to be effectual.

Violence in film and television programs shown in Canada has more or less been on a par with that in the U.S. In fact, in an effort to survive, Canadian feature-film producers have concentrated on violence, sexuality, horror, and other facets which tend to place films on the parental guidance or restricted list at least to as great if not a greater extent than U.S. producers. Efforts have been made to assist and develop the Canadian film industry through financial assistance for production and distribution by the CFDC, the arrangement of co-production agreements, encouragement to Canadian distributors and exhibitors to financially support Canadian-made film, and voluntary quotas for such film by the major exhibitors (Famous Players and Odeon). The economic realities and constraints outlined earlier, however, have prompted Canadian and co-producers to follow the success of Hollywood format and themes (including violence), to import performers and directors to increase international appeal, and in general to produce low-cost, carbon copies of U.S. films.

Independent production of television programs in Canada is practically non-existent. While American networks rely almost totally on independently produced programs for prime-time showing, the Canadian networks tend to produce "in-house" and are either not interested in independent productions or, given the low price at which U.S. programs are available, do not offer a sufficient price for the productions to encourage independents.

The production of violent content in Canada for Canadian television is of minimal concern. The costs of producing dramatic narratives for purely national consumption which is supported only by advertising revenue are prohibitive. The only economically viable entertainment content appears to be \$15,000 productions like *Pig N' Whistle*, *Irish Rovers* and *Ryan's Fancy*. The few attempts to penetrate the continental market with action/ adventure programs, e.g. *Police Surgeon*, have disappeared.

The effect of cable has been to markedly proliferate U.S. programs in Canada, increasing U.S. acculturation through the mass media. Our young people, although increasingly concerned about the lack of Canadian programs, are increasingly tuned to the U.S. content. Only one-third to one-quarter of the nation's viewing time is devoted to Canadian programs. With cable and licensing of additional Canadian stations it is quite

possible in most of our major cities to watch television continuously without ever viewing a Canadian program.

The introduction of pay-TV into Canada appears to offer little likelihood of offering much in the way of alternatives to conventional Hollywood movies and standard television fare (with the exception of pornography). Even in the pay-per-program mode the evidence so far is hardly heartening. Unless Canada opts for some rather radical structure for pay-TV the indications are that it will provide 20 to 25 per cent of homes with "more of same".

The newer technologies (particularly videodisc and optic fibre) do indicate some capability for providing genuine options in content and the viewing of them "on demand" at the consumer's convenience. Much as feature films have been pressured into seeking content unavailable on conventional television, programs for these systems may also differentiate into exploitive topics. Conversely the competition for viewer's time may further direct conventional television into areas of sex and violence. Where there is the capability for viewer control and direct purchasing of content, e.g. pay-per-program pay-TV and videodisc, there are definite indications that pornography is in considerable demand. There is no evidence that violence provides the same attraction. However, in order to satisfy increasingly jaded tastes the combination of sex and violence may be the outcome. On the other hand, these more individual-centred systems hold out great hope of being capable of providing a wide variety of other content not easily provided by the mass media—ballets, operas, symphonies ethnic culture, et cetera – and could through complex learning systems provide much for the citizen's self-development. They would appear to enlarge the parameters of choice.

Satellite transmission, most particularly the direct broadcast satellite, is an area of grave concern to all nations but one. The problems Canada has experienced with "spill-over" of conventional U.S. television signals could be magnified on a global scale. Since all satellites of a particular generation use the same frequencies for transmitting a dozen or so television channels, selection of these channels depends on directing the receiving dish at the desired satellite. The only ways control could be exerted would be by prohibiting personal ownership of the receiving apparatus or by insisting that all signals in space be scrambled with the hopes of controlling the particular descramblers used within the nation. Because one direct broadcast satellite could transmit very cheaply the content of a number of networks to a whole continent, the present economics of television stations located in separate markets owned or operated by various licensees with obligations to serve their community would be drastically changed. While serving to provide a nation with a single and universally accessible system, regardless of how remote the home, the DBS could severely damage regional and local programming. With this highly sophisticated and centralized

technology, control of violent content could easily reside with the programming authorities who would be under close state scrutiny and easily enforceable control. Another nation's DBS would raise totally different problems and could destroy a nation's integrity in its communications systems.

In the final analysis the two main visual media, television and film, demonstrate the classical economic attributes of oligopolistic and vertically integrated industries. A few large companies dedicated to the avoidance of risk and to the introduction of only marginal changes attempt to maximize profits through increasing revenue (audience) and/or reducing costs.

In the case of television there is an upward limit to the amount of time people are prepared to view and therefore an upward limit to advertiser revenue. The unit costs of exhibition and distribution tend to be fixed but in production some savings may be effected. Although the initial costs of a program also tend to be fixed, the wider the program is disseminated, the less the pro-rated cost. This leads to such strategies as more frequent repeats, internal syndication, and primarily to extending the market for the programs for whatever monies can be recovered.

In the case of film, and in Canada particularly, the industry integrates exhibition-distribution-production and any one of these can become a profit centre. Again the cost of film is markedly reduced as distribution broadens. Similarly with television programs, once the content has been made, outside of royalties owing, the only expenses are the promotion and replication in extending their revenue returning capabilities.

The economic thrust of these facts, in the absence of protectionist policies, is to permit Canada to be a part of a continental common market with the basic content decisions established in New York. If the content becomes increasingly more violent it is because the industries perceive this as competitively necessary in meeting consumer expectations and demands and therefore conducive to large profits. Primarily what Canadians see or hear on television and in films is the result of what content is economically possible and successful in the U.S.

B. Recommendations

If the objective is to reduce the degree of violence shown in theatres and television, a number of possible alternative measures may be considered. These range from rigid, direct controls of censorship of domestically-produced and imported films and television programs of violence, to indirect discouragement of showing violence. Not all these measures can be viewed as equally viable policy.

Rigorous censorship of violence in domestically-produced films and programs and an outright ban on imported films and programs of violence may be highly effective in curtailing violence shown in cinemas and television but it poses numerous difficulties and

problems. Censorship is generally abhorrent to many who do not wish to be subjected to the opinion of others as to what they may or may not see. The blacking-out or "jamming" of U.S. stations in border, common-coverage areas might be technically feasible but hardly a serious alternative. Furthermore, almost any interference with U.S. signals may invite retaliation against Canadian-produced film and television programs and the foreign market is essential for a viable Canadian film industry. Such a measure could also mean a considerable loss of advertising revenue for television networks and stations that rely on inexpensive foreign programs to remain financially solvent and to subsidize high-priced Canadian productions.

On the other hand, a relatively milder form of censorship may be sufficient in curbing the violence in the more blatant, exploitive types of violence-oriented films and television programs. While these regulations could be applied to programs transmitted by Canadian stations and cable operators (a Canadian licensee is not permitted to broadcast anything unlawful), it would have no effect on over-the-air reception from the U.S.

An alternative to imposed censorship, particularly for curbing violence in television, would be to encourage Canadian television networks and stations, along with cable and pay-TV operators, to establish a professional code for an acceptable degree of violence in the television media, following the now rescinded concept of "Family Hour" in the U.S. but extending it to all viewing hours. But, as in the case of censorship, such a measure would not solve the problem of violence from American television signals picked up by Canadian audiences in border, common-coverage areas.

A supplementary measure could consist of increased assistance to the Canadian film industry to promote the production of quality, non-violent films. This would involve considerably more extensive financial assistance by the CFDC (or other agencies formed for this purpose) to the Canadian film industry than has been given in the past. Concurrently the questions of quota and levies would have to be studied and probably strengthened to ensure distribution and further financial support. While it has been argued that Canada has the talent and technical expertise for good quality productions for cinema and television, both areas suffer from lack of finances for these productions. Examples such as *Lies My Father Told Me* are evidence that good quality, non-violent, internationally competitive and profitable films can be produced in Canada given adequate financial and distributional resources. Favourable tax concessions have recently been legislated by the federal government to encourage investment in Canadian feature film but this financing does not appear to be coming forth in sufficient quantity or directed into more desirable content. Greater government support appears the only viable alternative or source of supplemental finances. Such support, however, would have to be sufficient to encourage, and should be directed to films

in excess of \$1 million undertaken independently by Canadian producers or under terms of co-production agreements which don't simply lead to the mimicking of Hollywood features. Good quality, non-violent, internationally appealing films are not likely to be produced consistently on shoe-string budgets. Such assistance could furthermore be restricted for the assistance in the production and distribution of non-violent films. Attractive alternatives to violence must be produced. Quotas in theatres for Canadian-made films as is currently practised could be continued or increased. Ideally this would not be necessary if films with good potential box office are produced. With respect to quotas, as one producer once states: "You can put garbage in the theatre but you can't force people to come to see it."

A more viable policy would be to encourage and assist the production of film that people will be attracted to. There is considerable evidence that non-violent films can be just as appealing as violent films but the ingredients for a successful film must be present. Probably the CFDC should express some social concern in its funding policies. It is questionable that public monies should be spent on exploitive pictures even if they produce a return.

A third measure in this policy "mix" could consist of the establishment of a permanent public agency or board which would perform a function similar to that of the National Citizens Committee for Broadcasting in the U.S. Its function could be to classify films and television programs on the basis of violence, publicize possible undesirable effects of viewing violence, and to encourage people and advertisers to shun such programs and films; if thought necessary, it could encourage the public to shun the products of companies sponsoring such programs on television. A degree of negative public reaction to sponsors' products might well have more effect in curtailing violence on television programs than any other policy short of outright rigorous censorship.

Since advertising is an area of provincial concern (and the CRTC in the past has respected provincial regulations as applicable to broadcast content in the provinces), it is possible that rules might be established concerning the promotion and publicity of violent events—both with respect to the advertising material itself and to the fact it publicizes such an event. The point is that much of the violent content in the communications industry, although possibly just suggestive, is in the advertising, e.g. newspaper ads, television and radio spots, of violent or exploitive films (or television programs). Whether or not members of the public wish to view the film they are often involuntarily exposed to the promotional activities surrounding the event. Children are continually exposed to provocative and suggestive advertising while restricted from actually attending the film. Some curbs in this area might lower the ambient level of violence in society while reducing the power of the advertising messages to promote the

events. This suggestion is not dissimilar to the attitudes expressed toward liquor advertising which suggests an unrealistic view of its consumption or over-consumption.

The problems of spill-over broadcasting are probably insoluble. As people turn more and more to cable and ultimately optic fibre as the prime means of reception in common-coverage areas, their capability to return to over-the-air reception may deteriorate. At this time it may be possible to exert stronger influence on just what is carried by cable and how it is procured. The problem of violence on television is just a part of the whole Canadian broadcasting and program production problem. The study of options for the restructuring (re-capturing) of broadcasting in Canada should be given considerable priority. It is unlikely that we can solve much of the problem of violence without solving the problem of U.S. domination of our airwaves and the viewing preferences of our citizens.

With the introduction of pay-TV into Canada imminent, most indications are that the medium will intensify the proliferation of U.S. content in Canada along with the attendant problems of violence. In the pay-per-channel mode, although unlikely to show X-rated film, the R films remain unedited, and are harder than their current release in advertiser-supported television. Unless the objectives as expressed by the Hon. Jeanne Sauvé can be demonstrably achieved, the value of this medium in its present state is highly problematical. Attention at least should be given to provincial film standards being applied and the ratings should be clearly indicated in the program guides, et cetera.

With respect to the newer technologies in the case of videodiscs, some form of import controls must be established over what may become the most pervasive content technology yet. Any capability for American (or other foreign country's) direct broadcast satellites to beam directly into Canadian homes should be protested. Canada has already indicated its opposition to their unrestricted use but this is an area that needs to be watched.

In sum, short of restructuring our film and television industries, the best economic approaches to modifying the violence in the visual media for the present appear to lie in tactics designed to impress the advertisers of violent content and the advertising of the events.

Late addendum:

At the National Association of Broadcasters annual convention in Washington, March 28 to 30, 1977, the industry was advised by Hollywood program suppliers that violence would be reduced considerably in next season's programs but that emphasis on sex would increase. In light of the huge success of *Charlie's Angels* the members were told to look forward to many more "bra-less females in athletic roles."

No reason was stated for this trade-off in emphasis but it appeared that pressure from the public and from advertisers was being effective in the area of violent content.

Endnotes

Chapter 2

- 1 The average cost of films financially assisted by the Canadian Film Development Corporation in 1975-76 was approximately \$600,000. CFDC, *Annual Report*, 1975-76.
- 2 This was the position put forward by Ken Rosenberg, CRTC, *Variety*, Nov. 24, 1976, p. 32.
- 3 Prof. Garth Drabinsky estimated this ratio to be approximately 5 to 1. See Garth Drabinsky, *Motion Pictures and the Arts in Canada* (Toronto: McGraw-Hill, 1976), p. 151. Producer Harry Gulkin estimated that his film *Lies My Father Told Me* (cost \$1.2 million) had to gross between \$6 million and \$8 million at the box office before it could start to pay off investors, *Boxoffice*, March 22, 1976. Another producer estimated that the break-even ratio of box-office revenue/costs of production was as high as 10 to 1.
- 4 *The Hollywood Reporter*, Jan. 28, 1976.
- 5 *The Globe and Mail*, Dec. 7, 1976.
- 6 Ibid.
- 7 *The Los Angeles Herald Examiner*, May 28, 1972.
- 8 *Time*, Jan. 3, 1977, p. 58.
- 9 Ibid.
- 10 *Women's Wear Daily*, July 18, 1974.
- 11 *Newsweek*, Nov. 8, 1975.
- 12 *Time*, Oct. 27, 1975.
- 13 *The Los Angeles Herald Examiner*, May 28, 1972.
- 14 *International Motion Picture Almanac*, 1976.
- 15 Ibid.
- 16 This is primarily the same list as that analyzed in J. Linton and G. Jowett, "A Content Analysis of Feature Films," (Ontario. Royal Commission on Violence in the Communications Industry. *Report*. Vol. 1. *Violence in Television, Films and News*).
- 17 Data on rental revenues for films are used rather than box office because they are more readily available and more reliable than box-office data.
- 18 *The New York Times*, Nov. 28, 1975.
- 19 An example is the publicized difficulty producer Dino de Laurentiis had in finding financial backers for his \$24 million film *King Kong*. See *Time*, Oct. 25, 1976.
- 20 *Boxoffice*, Nov. 8, 1975.
- 21 *The Los Angeles Herald Examiner*, Jan. 25, 1975.
- 22 Statistics Canada, *Motion Picture Production, 1974* (Ottawa, 1976).
- 23 See sections on distribution and exhibition.
- 24 *Financial Times of Canada*, Nov. 1, 1976, p. 34.
- 25 *The Toronto Star*, Nov. 1, 1976, p. D5.
- 26 *Maclean's*, Nov. 1, 1976, p. 46.
- 27 Currently, Cinemedia and Columbia are working towards the production of *Bethune*, a \$6,000,000-\$7,000,000 co-production with Cinemedia raising \$3,000,000 (including 15 per cent from the CFDC). One-third of the picture is to be filmed in Canada. *Variety*, Nov. 24, 1976, p. 30.
- 28 It would appear that a Canadian film distributed by an American distributor in the U.S. is sometimes not identified as Canadian. Take the case of *Lies My Father Told Me*, a film distributed by Columbia Pictures which won a number of international awards: "The awards brochure only listed 'Lies' as being from Columbia Pictures . . ." *Boxoffice*, Mar. 22, 1976.
- 29 *Variety*, Nov. 24, 1976, p. 50.
- 30 *Variety*, Nov. 29, 1976, p. 50, and the Council of Canadian Filmmakers, Toronto, Ontario.
- 31 *Maclean's*, Nov. 1, 1976, p. 54.
- 32 *Variety*, No. 24, 1976, p. 51.
- 33 Bureau of Management Consultants, *Film Study Report*, 1976, p. 184.
- 34 CFDC, *Annual Report*, 1975-76.
- 35 Ibid.
- 36 *Variety*, Nov. 24, 1976, p. 31 and p. 60.
- 37 Statistics Canada, *Motion Picture Theatres and Film Distribution, 1974*. Statistics Canada does not show the total number of films (including those released in previous years) distributed nor does it provide a breakdown of the number distributed to television.
- 38 Most of this originated from the distribution of feature films involving outlays in excess of \$2 million.
- 39 Statistics Canada, *Motion Picture Theatres and Film Distribution, 1974*.
- 40 *Variety*, Sept. 1, 1976.
- 41 Canadian Motion Picture Distributors Association. See also Department of Supply and Services, *Film Study*, p. 268.
- 42 These companies are as follows:
Canadian-owned
Astral Films Ltd. (subsidiary of Astral-Bellevue-Pathé) also represents J. Arthur Rank and avco Embassy, plus independents.
Bellevue Film Distribution (also represents Twentieth Century Fox and Walt Disney.)
International Film Distributors Ltd. (represents independents.)
Foreign-owned
Columbia Pictures of Canada
Paramount Pictures Corporation (Canada) Ltd.
Twentieth Century Fox Corporation
United Artists Corporation (MGM Canada Ltd.)
Universal Films (Canada)
Warner Brothers Distributing (Canada) Ltd.
See Department of Supply and Services, Bureau of Management Consulting, *Film Study Report*, 1976, p. 257. (with corrections)
- 43 Ibid., p. 255.
- 44 Garth Drabinsky, *Motion Pictures and The Arts in Canada* (Toronto: McGraw-Hill, 1976).
- 45 Canadian Motion Picture Distributors Association statistics.
- 46 Drabinsky, op. cit.
- 47 Advertising expenditures for launching a feature film in Toronto:
- 48 Establishments have more than one auditorium are shown as

Advertising expenditures for launching a feature film in Toronto:

Film	Dist.	Print	Radio	Television
<i>The Sting</i>	Universal	3,500	2,000	7,500
<i>Airport 75</i>	Universal	3,700	2,300	7,500
<i>Earthquake</i>	Universal	5,600	—	7,500
<i>Serpico</i>	Paramount	5,000	2,300	3,000
<i>The Great Gatsby</i>	Paramount	9,300	3,700	4,650
<i>Godfather II</i>	Paramount	11,900	3,700	6,530

single establishments in the Statistics Canada data. For 1974, the 1,116 establishments reported a total of 1,231 auditoriums.

- 49 Statistics Canada, *Motion Picture Theatres and Film Distributors, 1974* (Ottawa, 1976).
- 50 Victor Beattie, Canadian General Manager of Twentieth Century Fox Distributors has stated: "Ten years ago, some 400 films were released. These days fewer than 200 top-draw films are being produced each year." *Financial Times*, "The Decline of Canadian Movie Theatres," *Perspective On Money*, Sept.-Oct. 1976, p. 19.
- 51 George Destounis, the President of Famous Players Ltd., has suggested that most cinemas would probably not be able to survive without their confectionary concessions. *Ibid.*, p. 18.
- 52 The Council of Canadian Filmmakers, presentation to the Royal Commission on Corporate Concentration, February 20, 1976.
- 53 *Ibid.* See also Department of Supply and Service, *Film Study Report*, pp. 278-279.
- 54 Rocco Cinemas Ltd., an independent Canadian film exhibition chain operating in New Brunswick and Nova Scotia, has taken legal action charging the major distributors with discrimination. In a press release, Rocco stated.

In Halifax . . . all the major distributors have refused to offer us a single first-run film, good or bad. . . . Two distributors told us they had an arrangement with Famous Players Ltd. or with Famous and Odeon Theatres (Canada) Ltd. whereby all their films would be played by their distributors.

Rocco went on to state:

. . . Canadian-made films are unable to find theatres to exhibit their product. Famous Players and Odeon contend that the reason is that Canadians do not make movies that are successful at the box office. Yet we played many Canadian-made movies that Famous Players and Odeon rejected for 14 out of 52 weeks in our theatre in Saint John in our first year of operation, and we made money on all the films except one. In fact, the profit we made from these Canadian films was greater than the profit from most of the pictures of all the major distributors.

See the Council of Canadian Filmmakers presentation to the Royal Commission on Corporate Concentration, Feb. 20, 1976.

- 55 This was the position of officials at Cinepix Ltd. in Montreal, producers of such reasonably successful films as *Shivers* and *Death Weekend*.
- 56 CFDC, *Annual Report, 1974-75*.
- 57 CFDC, *Annual Report, 1975-76*.
- 58 Statement by Famous Players Ltd.

- 59 The study consisted of a sample survey conducted for the Motion Picture Association of America by Opinion Research Corporation, Princeton, N.Y. during the period July-August 1976. Interviews were held with 2,164 adults (age 18 and over) and 455 teenagers (age 12-17) for a total sample size of 2,532 persons. Projections to the total population were based on Census Bureau estimates for the total population. Opinion Research Corporation, *Incidence of Motion Picture Attendance*, (Study for the Motion Picture Association of America, 1976.)
- 60 The source of the data in these tables is a survey conducted by the Department of Secretary of State with the cooperation of Statistics Canada. The sample in the survey was a very large one (50,000) so that the results may be considered to be a reasonably close approximation of the actual situation. See Secretary of State, *A Leisure Study - Canada, 1972* (Ottawa, 1973).

Chapter 3

- 1 A number of economic theories, models, and game theories have been utilized and adopted in an attempt to explain television programming patterns. Steiner, Wiles, McGowan, Levin, Owen, et cetera have developed models based primarily on Hotelling's theory of spatial competition, Cournot's model of duopoly, and various oligopoly theories. Most of these models show that television networks or stations, competing for audiences, engage in program imitation and duplication, resulting in "excessive sameness." The theory of games, a set of tools for analyzing situations of conflict between parties, has also been employed to explain behaviour where direct communication or collusion between rivals is difficult. For a summary of some of these models, see B.M. Owen et al., *Television Economics* (Toronto: Heath & Co., 1974), and W. G. Manning and B. M. Owen, "Television Rivalry and Network Power," *Public Policy*, Winter 1976.
- 2 *Broadcasting*, August, 1976.
- 3 J. R. Dominick and M. C. Pearce, "Trends in Network Prime-Time Programming, 1953-74," *Journal of Communications*, Winter 1976.
- 4 *Ibid.*
- 5 *Ibid.*
- 6 *Ibid.*
- 7 *Ibid.*
- 8 *Variety*, October 30, 1974.
- 9 *Ibid.*
- 10 Leonard Stern and George Eckstein, personal interviews, November 14, 1976.
- 11 *Time*, September 20, 1967 p. 84.
- 12 *Variety*, July 14, 1976, p. 1.

- 13 James Monaco, "U.S. TV: The Great Spin-Off," *Sight and Sound*, Winter 1975-76.
- 14 The ratio of adopted to rejected pilots has increased over the last few years, indicative of early involvement by the networks; however, contracts are written for only the first few episodes and frequent casualties now occur in the first half of the program season.
- 15 Based on discussions with writers and producers, notably Ron Austin, Leonard Stern and George Eckstein.
- 16 The status of appeals to higher courts is at present unknown but the decision appears solid. It was observed that the FCC met with industry representatives on some 19 occasions.
- 17 *Symposium on Television Violence*, Canadian Radio-Television Commission, Aug. 1975, pp. 141-144.
- 18 The survey consisted of a poll of 200 adult television-viewers in March 1976.
- 19 *The Windsor Star*, June 14, 1976, p. 19.
- 20 NBC, *Violence in America*, telecast January 5, 1977.
- 21 *TV Guide*, January 1-7. However, it should be noted that most time is now purchased as spots across a spectrum of programs. Many advertising agencies buy sufficient spots across the various schedules to meet certain goals in terms of total viewer impressions based not on any discrimination of the content in which the spots are placed but simply on an aggregate of gross rating points or some demographic subset of these. A further evidence that broadcasters sell realized audience not the programs which attract an audience.
- 22 Ibid.
- 23 *The Globe and Mail*, January 5, 1977.
- 24 This is from a transcript of the Nov. 4, 1976 CRTC Public Hearing in Ottawa at which time CTV was seeking licence renewal for the CTV network.
- 25 V. Porter, "TV Strategies and European Film Production," *Sight and Sound*, Summer, 1975, p. 164.
- 26 This "head-on" programming strategy was remarked on by CTV at the Nov. 4, 1975 Public Hearing.
- 27 For a detailed analysis of the independent program production industry in Canada, see Hugh Edmunds, "The Independent Production Industry with respect to English Language Programs for Broadcast in Canada," a study prepared et al, for the Federal Department of Communications, April 1976 (University of Windsor, The Centre for Canadian Communications Studies, April 1976).
- 28 CRTC, *Annual Report*, 1973-74.
- 29 Edmunds, op cit.
- 30 *The Globe and Mail*, Jan. 5, 1977.
- 31 Ibid.
- 32 Edmunds, et al., op cit; pp. 40-41.
- 33 Department of Supply and Service, *Film Study Report* (Ottawa, 1976).
- 34 Secretary of State, *A Leisure Study - Canada 1972* (Ottawa, 1973).
- 35 See, for example, Vernon M. Sparkes, "The Canadian Television Audience: A Study of Viewing Preferences and Attitudes," Communications Research Center, Syracuse University, May 1975; The Special Senate Committee on Mass Media (1970); The Canada Consulting Group to the CRTC (1972); and a recent Canadian Institute of Public Opinion poll (1975).
- 36 Ibid.

Chapter 4

- 1 Canada, *Broadcast Act*, Statutes of Canada, 1970.
- 2 These figures are based on interpolations of CRTC statistics shown in its annual report for 1975-76 and statistics found in TV Basics 76-77 issued by the TVB. Although licenses have been issued for franchise areas in Saskatchewan, figures for these areas have not been included since a number of problems have not been resolved with the Saskatchewan government and Sask Tel.
- 3 These figures are based on the conventional cables designed for CATV systems to carry 0-300 MHz signals. At 6 MHz per television channel, 50 (300/6) television channels are possible, but for various reasons 42 channels are the maximum allocated. Cable can be designed to carry higher frequencies than 300 MHz; however, cost rises and distance of transmission shortens. Since the UHF television stations operate in the 470-890 MHz band, these signals must be translated to either the "V" channels (54-88 MHz and 174-216 MHz) or on the converter channels (non-broadcast channels) which are available in the remainder of the 0-300 MHz range, i.e. the mid-band channels 120-174 MHz for 9 channels (A, B, . . . I) and super-band channels 216-300 MHz for 14 channels (J, K, . . . W), and finally the sub-low band designated as 5.75 - 47.75 MHz for 7 more channels (T7, T8, . . . T13). The purpose of the converter is to tune in these mid-band and super-band channels on the television set, since it is not equipped to select these channels, but only the VHF and UHF channels.
- 4 CRTC, "Regulations Respecting Broadcasting Receiving Undertakings," issued Nov. 26, 1975, effective Apr. 1, 1976.
- 5 Inferred from CRTC statistics in its 1975-76 Annual Report.
- 6 Urban densities between cities and areas in cities, vary considerably, e.g. Ottawa versus Calgary. The projection of about \$150 per subscriber is based on two-thirds saturation and current costs of cabling. Older systems had much less capital investment and now have higher saturation rates.
- 7 Robert E. Babe, *Cable Television and Telecommunications in Canada: An Economic Analysis* (East Lansing, Michigan: Bureau of Business and Economic Research, 1975).
- 8 Ibid.
- 9 Ibid.
- 10 Woods, Gordon & Co., "The Impact of Cable Television on the Canadian Broadcasting System." Report to the Canadian Cable Television Association, May, 1975.
- 11 CRTC, Public Announcement, *Commercial Deletion*, Ottawa, Jan. 21, 1977.
- 12 A more definitive account of the alarming drop in viewing of Canadian programs is to be found in Hugh H. Edmunds et al., "The Independent Production Industry with respect to English Language Programs for Broadcast in Canada," (University of Windsor, Center for Canadian Communications Studies, 1976.)
- 13 Ibid., citing Canadian Institute of Public Opinion.
- 14 Ibid., citing Canadian Institute of Public Opinion.
- 15 CBC, *What the Canadian Public Thinks of Television and of the*

Television Services Provided by the CBC. Research Department, Canadian Broadcasting Corporation, February 1974, p. 113.

- 16 There have been no studies to determine or forecast how much further the destruction of viewing Canadian programs will continue. Windsor might be indicative of how far the process will go. What is already apparent, however, is that our younger audience turns almost uniformly for entertainment to basic U.S. programming. If the violent content is damaging then this is what our young people are consuming to the exclusion of Canadian fare. It therefore matters little what standards or controls pertain to indigenous programs (and possibly render them even less competitive).
- 17 CRTC, Policies Respecting Broadcasting Receiving Undertakings, Ottawa, Dec. 1975.
- 18 Network One, or more formally All View Network One Inc., began operations in May 1976 and has 85 per cent penetration of 1,419 units in the Toronto Crescent Town condominium complex. It offers a single channel pay-per-program service. To reach economic viability it is estimated to need 5,000 subscribers. It operates as a licensed "cinema" by the Theatres Branch of the Ontario Government but does not come under any CRTC regulations due to its closed circuit nature. Soft pornography or even X-rated films (*Emmanuelle*) are included in the "menu".
- 19 The Saskatchewan government has indicated its intention of wiring the ten largest cities by Sask Tel and operating a closed circuit system – purchasing syndicated U.S. programs which in Canada would include current network programs. In this case the system could sell commercials into these programs. They have also made connections with Telemation Program Services (a large U.S. pay-TV supplier) for pay-TV product. With the political will to initially invest the public's money in this venture, it would appear to be economically sound but could cause havoc with the conventional broadcasters. Many of the Saskatchewan ideas would appear likely to achieve CRTC objectives far better, e.g. community service, than the CRTC has been capable of with its cable licensees. The federal Department of Communications has attempted to offer cable ownership to Sask Tel in exchange for federal control of content, but since all but one of Saskatchewan cities are not cabled, the province has the choice of options.
- 20 The federal Department of Communications made an agreement on November 10, 1976 with Manitoba giving Manitoba Telephone Systems control of the cable hardware in return for agreement that Canada would have jurisdiction over broadcast-type programming including pay-TV. This common-carrier approach is filled with unresolved problems of which the CRTC and the cable operators are only too well aware.
- 21 See Chapter 5 for an account of optic fibres. In essence they offer in the future to sharply reduce the cost of wired broadband communications.
- 22 FCC, *Subscription Television*, Information Bulletin # 16, (Washington, Feb. 1976).
- 23 See FCC, Rules and Regulations 73.643, "General Operating Requirements."
- 24 Hugh Edmunds, "Pay-TV Study with Emphasis on the Implications of STV", Interim Report to Department of the Secretary of State, Ottawa, May 1976.
- 25 Ibid. It should be noted that over-the-air pay-TV could spill over into Canada. It might also be difficult to control "boxes" which use a card billing system. The threat of this is some time away since the FCC regulations permit STV licences in the largest cities and until this is changed spill-over will only affect Windsor. Buffalo has an insufficient number of existing television stations to either add or convert a UHF station to STV.
- 26 Hugh Edmunds, "Report on Pay-TV with Pay-per-channel Theoretical Model," Department of the Secretary of State, Ottawa, August 1976. This document contains many quotations from pay-TV entrepreneurs warning strongly of viewer antagonism to unappreciated content and the necessity to program to a low common denominator of taste.
- 27 Ibid.
- 28 The marketing of feature film is based on definite patterns of release. First movie theatres, then pay-TV, then network television, followed by syndication to television stations, and somewhat concurrently to the latter 16 mm release to colleges, film societies, et cetera. Sometimes films are re-released to cinemas following pay-TV. The 3-10 rule implies that a film in the seven-year period commencing at three years from its first release may not be used on pay-TV. Actually the release to pay-TV seems to take place in a "window" roughly six months to 18 months from original release.
- 29 R. Noll, M. J. Peck, and J. J. McGowan, *Economic Aspects of Television Regulations* (Washington, Brookings Institute, 1973) p. 270.
- 30 On March 25, 1977 the U.S. Court of Appeals, as the result of a unanimous three-judge decision, ruled that siphoning has to occur before it can be proved to exist. Accordingly, the judges said the FCC regulations concerning the siphoning of movies and sports programs are invalid. The 105-page judgment is felt by experts to be broad enough to thwart a Supreme Court review. A result of this decision will be to make such films as *American Graffiti*, *Butch Cassidy*, *Young Frankenstein*, *The Exorcist* and *The Sting* available to pay-TV before they will have aged ten years. Experts also believe sports programs may receive legislative attention by Congress. This ruling can be seen as a removal of "prior restraint" consistent with First Amendment freedoms and similar in many respects to the Ferguson decision on the "Family Hour".

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Future Mass Media

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Introduction

This report deals with potential future developments in electronic mass media. New developments could greatly diminish the value of concerted deliberations on violence in communications media, if such deliberations are conducted without some attention to potential future developments.

There are many alternatives that may evolve, some of which may increase the problems associated with violence, and some decrease them. Several factors will affect the choice of these alternatives, amongst which are, new technology, entrepreneurial opportunity, and explicit policy decisions of government. This report will deal first with the technical aspects and then focus on the other factors. The technologies that will be treated include fibre optics as a means of transmission, satellites, large-screen television, videodiscs, and microprocessors. The scheme for development of this material is self-evident, but the material relating to the economic and policy questions is organized in a unique fashion, and requires some explanation.

It is common in making any analysis of the future of communications to base that analysis solely on the potential applications of new technologies. Today this is likely to produce fallacies for two reasons. First, we have such a rich technological smorgasbord from which to choose that almost anything is possible. Second, it is the regulatory and business underpinnings that really decide what will happen. Therefore, after the review of the technology, the basis of the analysis is not the flashy new technologies, but rather economic and social attractiveness.

The three sections following the technology section are related by four increasingly prominent themes. First, the extent to which the benefits are diffused throughout society tends to increase from section to section. Second, technological complexity increases from section to section. Third, conviviality, in Illich's sense,¹ also increases throughout the three sections. Finally, and certainly not independently of the preceding three themes, there is an increasingly long time period before the introduction of each successive innovation. Diffuseness of benefit, technological complexity, conviviality, and length of time to introduction all increase over the three sections.

The more concentrated the economic benefits of an enterprise appear to be, the easier that enterprise is to perceive; such an enterprise has a higher probability of being developed than if the benefits were more diffused. As this notion of concentration of benefit is used to order the sections, with the most concentrated examples leading off, the pressure on the entrepreneur can be seen to fall from section to section. Barring intervention, the time required for implementation is seen to increase through the three sections.

The section on responsive mass media describes systems that require little or no technological devel-

opment to bring them into existence. The diffuse benefit systems require somewhat more technological development, while the concepts contained in the Convivial Mass Media section require a considerable technological effort before they can come to pass. However, none of the technological developments that form the basis of the systems described need anything more than sophisticated refinement. In the words of the Six Million Dollar Man, "We have the technology." It needs only refinement and multiplication.

Ivan Illich defines a tool as being convivial when ordinary people can find utility in that tool. A population that is submerged under the impact of the mass marketing of culture surely cannot describe the tools that are used to effect this submersion as being convivial. The following three sections are ordered so that conviviality in Illich's sense increases from one section to the next. Illich's concept of conviviality is described more fully in the section devoted to convivial mass media.

The specific technology that is used to deliver communication services matters little. What really counts is the set of relationships among all the producers of content, the distributors, the exhibitors, the regulators, and the ultimate consumers. The social and economic infrastructure supporting a service is more compelling than the mere technology employed by the service. This is amply demonstrated in the Responsive Mass Media section, where the perils of pay-tv become considerably magnified when its billing system is connected into a widely available electronic funds transfer system. This change in the organizational infrastructure, and not in the technology, leads to opportunities for super-intensive economic activity of such magnitude as to be downright alarming.

Through specific intervention, a government can significantly influence the nature of a medium. The proposals described in the Diffuse Benefit Systems section can supplant the more virulent pay-tv schemes only when accompanied by a strong expression of the collective will. Generally, the more diffuse the benefits, the greater the need for intervention. However, intervention carries with it the heavy responsibility of accepting downstream responsibility for unexpected consequences and missed opportunities. Given the technological complexity and profound socio-economic significance of communications and information technology in a society in transition from an industrial to an information economy, few people are properly prepared even to appreciate the issues involved.

The technology that is likely to produce the most significant long-term social and economic impacts is the large-scale integration of semi-conductor circuits, especially the inexpensive microprocessor chip. Dramatic cuts in both size and costs of very complex electrical circuitry have been achieved. For example, the heart of a computer now comes on a single wafer

that is smaller than a thumbnail, and can be purchased for well under thirty dollars.

This development leads to the possibility of the intelligent terminal. Television has to be viewed as a system that employs ignorant terminals. The television set slavishly follows the dictates of the incoming signal, storing nothing and processing nothing: in essence, it is a completely ignorant device. Large-scale integration of semi-conductor circuitry has made it possible to include a considerable amount of "smarts" in such things as television games and the like. It is likely that this technology will have far more impact on future media than all the transmission developments put together. In the days of the buggy, four-lane highways would have made little sense, and they would have produced little change. It was not until the device that the user interfaced with directly, the automobile, was developed that the transportation revolution could get under way. Similarly, in communications, the devices with which the user directly interfaces, rather than the supporting transmission media, are the agents of change.

As yet, the television games, the sophisticated graphic terminals, et cetera, have not been connected together so that you and I could play PONG together, while you are at your house and I am at mine, for example. That shouldn't take too long to happen. When it does, we have the beginnings of the convivial mass medium that could provide considerable relief from the toxicity of television.

The section entitled Culture Defence deals with strategies that might be invoked to make Canadian-produced television material more appealing, and so give it an advantage over imported material. This section breaks the analytical threads that tie the previous three sections together and is really included as an admission of the limitations that may force us to think about media in terms of defence rather than thinking about new media. We may not be able to build the future that would appeal in most to us, but we may be able to erect some reasonably effective defences to make a less desirable future more endurable.

Chapter One

Technology

Several technological developments are treated in later sections, where these technologies bear upon the development of specific media examples. The microprocessor and digitization of the telephone network are so treated in the Convivial Mass Media section. This leaves many popular technological notions unaddressed. It is the purpose of this section to deal briefly with these technologies.

Fibre Optics

The transmission of television signals has always been a problem. Electrical frequencies generated in scanning the video image range from zero to several million hertz. The lower frequencies relate to making the screen totally black for a few seconds, while the very high frequencies control the fine-grain detail of the image. Both the average brightness and the fine detail are necessary to produce satisfactory pictures.

The range of frequencies required for good television signals is several hundred times as great as that required for high-fidelity sound reproduction. It is this range of frequencies, or bandwidth requirement, that has posed the major problem in the transmission of television images in the past.

Since the early days of television a number of technological developments have eased the problem considerably. The transistor is but one example. However, decisions were made during those early days that have remained today, and in some ways restrict the quality of the images we receive.

The broadband television signal can be transmitted down a cable in two ways. The actual signal frequencies can be sent, and the resulting signal is called a bass-band signal. This technique is used throughout the television station for the internal handling of the signal. Generally, a bass-band television signal in a television studio has frequency components that extend to ten million hertz, and the pictures that can be seen on the television-station picture monitors clearly demonstrate the picture quality such a broadband signal can produce.

It is much easier to transmit a broadband signal when it is piggybacked on a very high-frequency carrier which

it modulates or controls. In effect, the frequencies of the original signal are merely shifted upwards. A bandwidth of five megahertz at bass band is very much harder to deal with than the same bandwidth shifted up 100 megahertz.

Ordinary wires cannot be used to convey signals where there are such high-frequency components because of the losses and reflections that such primitive techniques introduce. Special cables, called coaxial cables, were developed that largely overcame the difficulties encountered with ordinary wires. A coaxial cable, even when specially designed, is far from being an ideal transmission means for television signals, whether at bass band or when carried on some high-frequency carrier, for these cables have a loss that is dependent on the frequency being sent. The higher frequencies are more attenuated than the lower, and this difference is temperature-sensitive.

A television signal, consisting of a wide range of frequencies, shows serious degradation if either the amplitude or the phase of some of these frequencies is altered with respect to others. In high fidelity there are tone controls that alter the system's amplitude response to various frequencies. The difference can be perceived through mere listening. Phase differences do not produce any perceived effect on the ear, but they seriously affect what we see in a television picture. The problem of transmitting bass-band signals any distance over coaxial cables relates to the problems of maintaining accurate equalization of both phase and amplitude characteristics under changing environmental conditions. It is difficult to build in signals that will not affect the picture but which can be used to regulate automatically the equalization of amplitude loss and phase change over the required bandwidth. This problem becomes much easier when the signals are boosted in frequency, as is the case in cable television systems.

Enter fibre optics.

Very thin glass fibres can be produced that virtually eliminate all the problems outlined above. The loss of a good fibre-optic cable is virtually independent of frequency, and there is no phase problem. Instead of

sending electrical signals down a complex mechanical structure that must be protected from the environment, for the coaxial cable is both temperature and moisture-sensitive, a modulated light signal is piped along the glass strand. The spaces between repeater amplifiers used to compensate for the transmission medium's losses are greater with fibre optics than with coaxial cable, leading to some significant savings. Bass-band signals can be carried for considerable distances without significant degradation. This means that studio-quality signals could be delivered into our homes instead of the poor quality pictures we now receive, which are so limited by the basic transmission decisions made decades ago, before transistors and fibre optics.

There is a problem, however, in the conversion of the electrical signal into the luminous one. This must be done so that there is no perceptible amplitude, frequency or phase distortion of the signal. Since this process is involved every time the signal must be reinforced at the repeaters, the distortion effects of many applications of this process can be involved in any practical system. The present limitations on the ability of fibre optics to have any significant impact on our television lives are in the electro-optic transducers, rather than in the fibres themselves. Research in this area is producing better and better solutions, but there is still a long way to go before a reliable system can be implemented at costs approaching present coaxial techniques.

The present proposals for fibre systems, recognizing the real limitations of the transducers, usually involve a dedicated fibre connecting each subscriber back to a switching facility, rather than the configuration employed in conventional coaxial systems, where the switching between channels is actually accomplished in the subscriber's equipment. This change in configuration alone represents an increase in cost, but provides the potential for many more choices, and freedom from interference. Such a dedicated fibre cable could carry several television signals, the telephone, and the data requirements for a single household, all in one neat package.

Not to be dismissed are the problems associated with the handling of a cable composed of thousands of minute hair-sized glass fibres. The old copper wire telephone cable causes enough problems when inadvertently dug up. Splicing one of these fibre-optic cables in a howling snowstorm is a considerable problem, but solutions even to this are available today.

Perhaps the most significant cost factor in any cabled distribution system is the cost of placing the cable, whether it be fibre or coaxial. The right-of-way and ditching costs generally exceed the equipment costs. Strangely enough, it is this fact that is producing the push to develop the fibre-optics technology. The cost of duct space for telephone cables in metropolitan areas is so exorbitant that reclamation of space through the substitution of fibre optics for copper cables, in the face

of increasing communications loads, is very good economic sense. The plain old telephone is pushing this new technology very hard.

Large-Screen Television

Several systems are now available that project the television image onto a large screen. The impact of such an image is quite different from that associated with a regular television picture tube, particularly if the picture is of high quality.

The combination of high-quality television signal distribution through the use of fibre-optics and large-screen projection television is quite exciting. There is the same potential here that worked in the record business with the introduction of high fidelity.

Satellites

Satellites can be used in two significantly different ways in connection with television. They can be used to connect the head ends of local distribution networks, or they can be used for direct broadcast into the home. The former makes some sense, the latter is in many ways retrogressive.

For a given satellite power, there is a basic relationship between picture quality and the size of the receiving antenna. The smaller the antenna, the poorer the picture in terms of both noise and bandwidth. A shared-satellite receiving facility that feeds a local distribution network could afford to choose a larger antenna than each subscriber would select on his own. Direct broadcasting from a satellite into the home seems the less attractive option, considering cost, picture quality, and variety of choice.

Videodisc

After many years of press reports, it seems as if the videodisc may soon actually happen. It has a much enhanced probability of success compared to the earlier video player systems based on film; the EVR of Dr. Peter Goldmark, for example. The lower cost of producing copies is the significant improvement brought by this technology. However, this does not assure the video record player of a future.

Television material is not like the content of phonograph records, and analogies should be built with care. In the Gestalt psychologist's jargon, music is ground while television is figure. Music from your hi-fi can be a pleasant accompaniment to many other tasks. Television is more demanding, and only the simplest tasks can be done better when accompanied by television. The content of the videodisc will have to solve this problem if it is going to be used more than once or twice. Conventional television makes poor content for a personal video library, for most television is produced specifically to be seen only once. A new content is needed for the videodisc. Unfortunately, the most likely candidate is pornographic material, if the technology is limited to playing out through a television set.

There is more hope if the disc, capable of recording vast quantities of information, and of dumping it in a very short time, is used in connection with the devices described in the Convivial Mass Media section. In fact, not only is there hope, but this may be the book of the future, for such a combination of technologies provides the means of making stimulating interactive educational and entertainment material available at very low cost.

Responsive Mass Media

Responsible mass media are those media, with a large penetration into the population, which are capable of eliciting some form of virtually instantaneous and simultaneous response from large numbers of the medium's users. In the minds of most people, "Two-way television" is such a medium. However, the term "Two-way television" is too general to be of much real use. For the purposes of this analysis, we shall be concerned with systems where the viewer of television material can, when told to do so, make some kind of response that is detected and registered by the response system. Such a response system, in combination with a mass distribution medium, such as television, radio, or newspapers, produces a responsive mass medium.

Two classes of response system appear to be emerging. The separation between the two classes is based on the degree of their ability to identify individual respondents. In the one class, made up of anonymous-respondent response systems, the identity of the respondent is unknown, while in the other class, consisting of general-purpose response systems, the identity of the respondent is known in a responsible way. To the extent that the operator of such a system can accept responsibility for the accuracy of the identification of the respondents, transactions involving money can be based upon such responses. It is here that the significant difference between the two classes emerges.

Anonymous Respondent Systems

Several examples of the anonymous-respondent class have been demonstrated using the television or radio broadcast media in combination with the conventional telephone system. A demonstration staged by the Wired City Laboratory of Carleton University in Ottawa, and the Ontario Educational Communications Authority (TVOntario), used a computer to tally calls received by two numbers: one for the "yes" responses, and one for the "no" responses. Other similar examples exist, and are anonymous simply because identity data are just not possible to collect, where the simple local telephone network has been used, without access to the automatic number identification system, used by the telephone company for customer-dialled long distance calls.

Such systems are severely limited. When a broadcast medium accessing large audiences announces a poll and gives out the receiving telephone numbers for "yes" and "no" votes, a large volume of telephone traffic is generated, all heading for two telephone numbers. This has two effects. First, very few of the potential respondents will get through and many potential respondents will be lost. Second, the congestion created by the hopeful respondents can cause overloads in the telephone system, which can lead to serious interruptions of other services that depend on the telephone; fire, health, and police. This lack of extraordinary peak handling capacity makes the use of the conventional telephone system unsatisfactory for massive instantaneous polling.

Recent technological developments, reported by Parkinson,² have given telephone systems the potential to overcome this peak traffic constraint. Parkinson reports on a development that would allow the polling traffic to use, but not occupy, the existing telephone network. This system completely avoids the problems outlined above. The scheme involves equipping each listener with a small and relatively inexpensive response unit, which is connected to his telephone line. When used, the unit generates special signals to which the regular telephone system is oblivious. The signals do not penetrate beyond the respondent's local telephone office before they are stripped off, aggregated, and passed into a special data-accumulating facility. A poll of even millions of viewers would be completed in a mere ten seconds, and the results would be available only a few seconds later.

This system, at present, known as "Incasting", is inherently an anonymous-respondent system. The system is designed to read the individual responses from groups of up to 100 respondents at once, and although the individual yes-no responses are all detected, there is no way any particular response can be traced, beyond knowing from which group of 100 it was generated. By arranging the respondents so that there is only one special respondent in each group of 100 respondents, the system can generate inferential data, given a data base about, and authorized by, the special respondents. Consequently, two sets of results can be provided, one

that applies to the particular set of respondents viewing the program, and one that applies, by inference, to the community at large. Although this might look as if anonymity has been sacrificed, only a small percentage of the population could ever be accessed, and even then, there is no way of knowing if it was the teenage child, the toddler, or the breadwinner that actually pushed the button!

Careful technological assessment studies of these anonymous-responder systems have indicated a number of potential social benefits and danger areas. Our laws regarding voter identification are such that the anonymous-responder class of system can never be used in elections or referendums. These systems relate more to entertainment, education, and the discovery and development of shared feelings about new ideas. The danger lies in too rapid an escalation of use for issues that are too hot. The critical problem is the supply-and-demand relationship during the initial phases, for too rapid an escalation could produce sufficient viewer frustration to cause the system to be massively rejected before any of the potential benefits could be realized. Other potentially dangerous questions are how the results are displayed, and whether or not the collected data should be made public in their entirety or in part, or restricted to those who paid for its collection. All the problems normally encountered in polling would have their analogies in the anonymous-responder systems, but they appear to be quite manageable.

Incasting, as described by Parkinson, can work in combination with many mass media: radio, television and newspapers being three that can be accommodated. Through the use of scheduling, compartmentalization, and statistical techniques, these diverse media can all be accommodated. In this way a range of services with varying degrees of respondent involvement, instantaneity, and cost can be offered.

General-Purpose Response Systems

Other more complex systems have been described that bring back far more data, allowing the possibility of subsequent data-processing. Such a potential leads to a much wider range of possibilities than those present in the simple anonymous-responder systems, for when general-purpose response systems are combined with mass-broadcast media and electronic funds-transfer systems, Pandora's box flies open!

The "hard sell" that one now sees on television could be directly coupled to the act of purchasing. By just inserting a credit card in the appropriate slot and pressing the button, the viewer can have the latest kitchen gizmo sent on its way to his home, and his bank account will be automatically adjusted. This seems benign enough, except when one realizes how significantly purchasing behaviour is influenced by marketing strategy. In the history of business, each time the process has been made more convenient for the

consumer, from the original catalogue sales businesses to the modern shopping centre, sales have increased. Letting a prospective customer browse through an electronic catalogue will be far less effective, in terms of the seller's cost-benefit ratio, than a short but very intensive television advertising campaign, coupled with an instantaneous generalized-response system and a widespread electronic funds-transfer system.

It is not inherent in the technology that a general-purpose response system need be constructed so as to concentrate the benefits for the seller. A more diffuse benefit system could just as easily be constructed, wherein satisfaction of the shopper's needs was paramount, and where such features as comparative shopping were stressed. Such a system would not involve tight coupling with mass media like radio and television. However, since the benefits would be more diffuse, and unless there is concerted intervention, there is very little likelihood that such a system will be built, without the tight coupling to mass media that makes the concentrated-benefits characteristic possible. For this reason, we shall continue the analysis on the assumption that the general-purpose response system would evolve with an organizational infrastructure that would force the benefits to be concentrated.

In such systems, electronic auctions would become practical. The pathetic excuses for auctions that are now shown on television are totally inhibited by the limited capacity of conventional telephone response systems. The delays caused by the limited capacity of today's techniques prevent the auction from generating really good prices. Television auction programs offering the bizarre, the exotic, and the unusual could become very popular, and quite profitable.

In both these instances, some kind of good was given to the purchaser; however, that is not necessary. Media gambling becomes a very real possibility with the combination of electronic funds-transfer and general-purpose responsive mass media. The ten-second lottery! A half-hour television program could easily contain three lotteries, with each lottery consisting of some seven minutes of promotional buildup, and two and a half minutes of winner selection and announcement, repeated three times. Furthermore, the draw would be made only from tickets actually sold.³ All the transactions would be handled electronically. There would be no pain for the viewer-participant, not so much as having to reach for the wallet. Gambling could become the national pastime. Electronic funds-transfer and general-purpose response systems could combine efficiently to search out and bilk every last compulsive gambler in the entire country. To paraphrase the marketing strategem of a large soft-drink company, this service would please the customer, would be as close as his elbow, and would be immensely profitable to all those involved in the production and distribution of the service.

Television, because of both what it chooses to show

and what it chooses to ignore, does not portray the explicit real world. That's not what the viewers want. Television is therefore a medium of fantasy. As such, it tends to undermine our ability to make fine discriminations, and leads us towards a state where, as Groen⁴ observes, the distinction between the real and the hypothetical, fact and fiction, tends to blur. To couple such a medium of fantasy directly into the absolutely real and consequential purchasing act as massively and as tightly as can be achieved by this combination of technologies seems to invite some considerable social problems. The social cost of such a service could be exorbitant.

Only the general-purpose response system can combine with broadcasting and electronic funds-transfer systems to produce this scenario. The anonymous-responder system is just not capable of knowing where the bill should go.

What would stop anyone from offering a dynamic lottery, where the amounts of prizes are in proportion to the actual amounts subscribed, and this relationship is used during the sales campaign to stimulate participation? And, just to top it off, the prize for everyone is a porno short, the "depth" of which is in direct proportion to the total participation. If such a scheme were used to finance some good cause or other, what defence would the public have? What recourse would civilization have?

This hyper-intensive commercialism springs from the three-way combination of broadcasting, electronic funds-transfer, and general-purpose response systems. As McLuhan has said, each new medium transforms all others, and the combination of general-purpose response systems, broadcasting, and electronic funds-transfer systems will certainly transform broadcasting. Whereas today program content is designed to assemble an audience so that the advertiser can expose his message, tomorrow the program content may largely vanish, simply because it is not as exciting or involving as the more action-oriented and involving periods where real transactions are occurring.

In its "Report on Business" for November 6, 1976, *The Globe and Mail* reports the intentions of Rogers Cable TV in the area of general-purpose response systems. In that "Update", Robert Short, president of Rogers, describes a system that can prepare individual billings for pay-tv subscribers, and allow viewers to participate in surveys and do their shopping from home. This is precisely a general-purpose response system and so is quite capable of bringing about the hyper-commercialism alluded to above. These scenarios of commercial intensification are not mere whimsy; they are very real possibilities. Pay-tv by itself is one thing, but the billing mechanism it implies, when coupled directly into electronic funds-transfer systems, and then combined with massive television advertising, can produce something quite different from mere entertainment. Giving advertisers virtually direct and instantaneous

access to the nation's wallets may be economically virtuous but socially disastrous.

The anonymous-responder systems, while still providing concentrated benefits, are far more limited in the economic transactions they can support, and seem somewhat more benign, than the concentrated-benefit variety of the general-purpose response system.

Since it is likely that some form of interaction with television and other mass media will occur in the future, let us choose the one that leads to the least social violence, and let us base that choice on some good research. Such work has yet to be done.

Chapter Three

Diffuse Benefit Systems

In the above systems, the ability to extract revenue was quite concentrated, and hence the possibility of interesting an entrepreneur was reasonably high. The obviousness of the revenue potential, being concentrated, permits easy assessment, and so increases the probability that someone will build the system. Conversely, systems that may provide a greater social benefit, but are characterized by very diffuse revenue generation, will generally go undeveloped in our society.

Schemes that add channels to cable television systems can be of both types: the concentrated-revenue type and the diffuse-benefit type. The concentrated-revenue type is exemplified by conventional pay-TV, whereas examples of the diffuse-benefit class are relatively unknown, and usually dismissed as unimportant. There appears to be a correlation between this revenue-concentration characteristic and the importance our society imputes to a communication system. The easier it is to see how the revenue supporting a service can be collected, the more important the service is seen to be. This propensity leads to the rejection of the more socially beneficial but less revenue-concentrated alternatives.

Thompson,⁵ describes one such alternative which is designed to stimulate wide participation in the whole television process. The system was based on two groups of cable channels being provided to the viewers, one group being the conventional channels we now have, or their replacement, as proposed by Stuart Griffiths,⁶ and the second group being part of a retrieval service. It is this second group that is of interest here.

No facilities would be incorporated to prevent people from seeing material that others had caused to be shown on these channels. Anything that was selected by anyone from the library would then be seen by all who cared to watch.

A fetch charge would be levied against the person requesting a particular item from the library, the size of which would depend upon the load the system was carrying at the time, and the length of time the particular request would occupy the system. In addition, a monthly subscription charge would be levied to pay for the provision of both categories of channel.

With a large number of subscribers and only a dozen or so retrieval channels, it is clear that the bulk of the system's revenue would be derived from the subscription fees, and not from the fetch charges. Hence, the actual amount of the fetch charge could be adjusted to meet the need of regulating the demand for fetches. If you wanted to see something for very little cost, it would be scheduled for next Tuesday at 7:30 in the morning, for example. To have it shown during prime time, right now, would cost several times as much.

Because there is no special equipment to prevent you from seeing what your neighbour requested, the system is quite economical, with the bulk of the cost being located in the library and the head end. However, deleting this privacy feature also provides a social benefit. Everything that is shown on these retrieval channels has been selected by someone in the community. The fare that is shown is some kind of television map of the community.

Such a system provides several levels of participation. The lowest level would be where one watched the regular commercial channels. The next level would involve watching what was being shown on the retrieval channels and was selected by someone else in the community. The level above that would involve making fetches from a list circulated once a month with the bills. Beyond this level, one could become involved with the creation of content for the library.

The system could incorporate a means for community members to make their own television material. This material would evolve over time as the author reacted to the comments of friends and neighbours, resulting in a steady improvement in his television statement. A system of community television that does not have storage lacks this reiterative feature.

A small payment could be made to the producer of material for each showing, and this could offset a shelf-space charge that would be levied against material that was not in demand. In this way, the library can be made self-regulating in size.

This stripped-down television retrieval system, stripped down because it lacks the equipment to ensure

that only the one who pays for something sees it, breaks one of the greatest dilemmas in the retrieval business. Everyone wants access to everything, but doesn't want to pay very much for it. In a private delivery system, the fetch fee must provide payment to the author and defray the costs of the equipment used to show that material, for it cannot be shared if it is serving only one individual. By dispensing with the idea of private showings, two benefits emerge: first, it becomes economically possible; and second, there is a community kind of benefit that would not otherwise accrue.

As more and more systems of this type became available, a market would emerge for material created especially for such systems. It is not clear that such content would be under the same pressures to turn to violence in order to capture an audience. More thoughtful material would probably succeed here because the name of the game is to get a lot of showings as opposed to one showing with a large audience. The system is, in some ways, an antidote for the toxicity of conventional television, and so is very different from the conventional pay-TV proposal. It is a kind of community television system.

Community television is a frequently-used term, and although the words have distinct dictionary meanings, the combination seems imprecise. Community television implies some sort of television service that is responsive to the needs of the members of the community. Clearly this does not mean more conventional television. Community television cannot be more of the same. It must, therefore, be some new television-based service that appears more responsive to community needs. The principal benefits would diffuse throughout the community, rather than being concentrated in the purveyor's hands.

Videographe in Montreal is a television production house dedicated to the proposition that ordinary people can produce good television material. Their strategy is to lend a portable videotape recorder to anyone who can prepare a reasonable story board. Videographe supplies the videotape and the editing facilities, but no studio facilities! The "studio" is the biggest snare and delusion in the whole field of community television. The last thing a community television activity needs is a studio. Editing facilities – yes! Portable television recorders – yes! Studios – no!

Since the benefits from an operation like Videographe are quite diffuse, there have been real difficulties in keeping the organization alive. The problems have been in relation to funding. Very few programs that would originate from such a centre would tend to extol the virtues of the Establishment; hence there is going to be a problem in getting the Establishment to provide the necessary operating monies. After several years of hand-to-mouth operations, Videographe is now "closed for alterations." Pity.

In my own community, Kanata, which is about ten

years old, we are experiencing some problems with the sewer laterals. These are the connections that join the individual houses to the main sewer running down the street. It appears that either these were improperly installed in the first place, or they have been subject to some ground shifting. The question is, should the community bear the responsibility of repairing the few that have turned out to be defective or should the individual home-owner be responsible. There are good arguments for both sides, and the issue is really not that clear. Here is good meat for community television. It would not be very difficult to take a portable tape-recorder and put together a succession of visuals clearly illustrating the presence or absence of incompetence in the original installation. With suitable editing, and with a reasonable script, such a presentation would be quite acceptable.

There would be no need for the "talking head", or professional actor. We are talking about concise and easy-to-perceive things, not complex emotional things that are the content of drama and of so much television. Almost anyone who is well informed and excited about a particular subject can make a reasonable audio-visual statement about the subject. Given some modicum of technical support and access to good editing equipment, the enthusiasm, commitment, and credibility of the particular person comes through loud and clear. This can more than offset any lack of professionalism.

A simple program format such as a presentation of slides taken on a vacation trip, together with an accompanying commentary, could provide interesting community material.

Easy access to such a medium could have a profound effect on the production of good talent for the creation of regular television. A number of years ago, Bell Northern Research, Bell Canada, and the Canadian Broadcasting Corporation undertook to couple the telephone system of Rankin Inlet to a low-power radio broadcast transmitter, as an experiment in communications. There had been no local broadcasting until then. Now with this connection people could talk on the radio. They soon learned they could play their record players and cassette recorders into the telephone and so share their favourite songs with each other. One particular chap had visited the community before this happened, and had left some cassettes of his singing. These proved to be quite popular on the system. When a studio was finally built, he moved to Rankin Inlet, and found an eager audience for his material. He has since recorded an album, and was written up in *Weekend Magazine*. That simple medium of broadcasting, the telephone system coupled to a broadcast transmitter, had created a star! The telephone system alone, being a private delivery system, could not have accomplished this.

The deletion of the private delivery feature that permits the individual and private "consumption" of information, destroys the one-to-one correspondence

between requester and beneficiary. With massive “snooping” allowed, many who would just be watching the output from others’ requests are non-paying beneficiaries. The synergism occurs when they spot something that interests them and also surprises them. They would not have known enough to request it in the first place. That is why stores lay out all their merchandise, or publish pretty books showing all their wares. To ask may be to receive, but if one is ignorant of what is there the asking won’t happen. Information is a good whose utility is vastly different for each user. Nor will the utilities a particular user assigns today be valid tomorrow. It is a very much more dynamic situation than the market for real goods. How much do you suppose a recording of Bobby Gimby’s “Canada Song” is worth today? In fifty years? To a Brazilian?

In systems where the benefits diffuse throughout the whole community, and where there is this economic sponginess, one can expect little interest from the classic entrepreneur. Consequently, the probability is high that if television technology is to be further extended, it will be in the direction of systems where the revenue streams and other benefits are concentrated, easily monitored, and used to produce cost-offsetting revenue. Hence, we can expect, in the absence of any significant intervention, “First-Run” pay-TV with its institutionalized violence, rather than some other perhaps more attractive alternative, where the benefits are diffused throughout the society. Close on its heels, we can also expect the commercial intensification outlined in the previous section. Pay-TV is somewhat like a Trojan horse. It needs careful probing before the violence it can unleash, in terms both of content and of hyper-commercialism, begins, and we adapt by lessening our sensitivities even more.

Convivial Mass Media

When Ivan Illich uses the term *conviviality* to describe a property of a tool, he is referring to the utility of that tool as perceived by ordinary people. The common hammer is, in Illich's terms, a *convivial* tool, as is a cookstove. Although ordinary people can participate in television as viewers, they are quite incapable of creating any input to that medium that their fellows will regard as worthwhile. Hence, television is low in Illich's *conviviality*, as are all mass media of the one-to-many structure.

For a mass medium to be *convivial*, it must be easy to use, and so not require significant levels of training before there is recognizable utility in its use. That is not to say that training will not produce different levels of utility; in the case of the cookstove, the gourmet's training and the harried housekeeper's experience both interact with the stove to produce utility, but different kinds of utility. Only a bare minimum of training is needed before some utility is perceived in the cookstove. *Conviviality* challenges the designer to produce goods and services that can be perceived by both the minimally trained and the particularly skilful as having wide general utility.

Conviviality is both time-varying and culture-dependent. The computer, which was once very low in *conviviality*, may well turn out to be quite high. It was so with writing. When writing was first developed, the symbols were very complex, and not related to speech sounds, but rather to words or ideas. Consequently, there were a great many symbols to learn before the user could perceive any utility in the art. Ancient society could afford only a few specialists with the necessary skill to release the utility of early writing. With the invention of the phonetic alphabet, it became possible to train whole populations to a level of skill that provided utility. With that development writing moved from a very low level of *conviviality* to a much higher one.

Illich has ascribed a high level of *conviviality* to the telephone. However, the rest of our communications media, with the exception of c.b. radio, must be rated very low, for participation creating the content of these other media requires very special skills. Recent develop-

ments in technology may provide some surprises. Up until now, one would be justified in ascribing a low level of *conviviality* to the computer. The advent of the really cheap microprocessor is changing this, and the computer may well turn out to be the basis of a highly *convivial* mass medium. Today, there are computer hobby stores, and the building of complex personal computers has become a significant hobby. The first conference for personal computing held in Atlantic City last year was planned for about 600 participants. About 3,000 showed up. This April, a San Francisco conference is being planned with an expected registration of between 7,000 and 10,000. Hobby or personal computing is more than a small group of fanatics.

The basis of the television games that are rising in popularity is cheap computational power in the form of large-scale integrated circuits. The simple games of PONG and the like will give way to the more complex ones that the computer hobbyist enjoys, games that are determined by the software placed in his computer's memory as opposed to the pre-programmed wiring used to interconnect the logic units in the simpler television games.

The evolution of electronic technology is usually described in terms of "generations". The first-generation television games, like "Odyssey," produced by Magnavox, used conventional general-purpose integrated circuits that were wired up to produce the game effects. Second-generation games, which are now being sold in the stores, feature special-purpose integrated circuits that were designed to contain all the necessary circuitry for several games. This has permitted a considerable cost reduction, for the assembly labour has been significantly reduced. The first and second generation games are fine for the first few hours; then they lose their appeal. Their market life is likely to be only a couple of years.

The first third-generation game has recently been announced by Fairchild, based on its F8 Microprocessor. Fairchild plans to release new games once a month, allowing the owner to re-program his unit with the latest game. Like the Book of the Month, Fairchild is talking of the Game of the Month! The micropro-

cessor of the third-generation game replaces the second generation's special-purpose chip, making the product re-programmable. Games manufacturers are hoping that this feature will overcome the limitations of the first and second-generation games. The fourth-generation game will have a keyboard and will interact with a computer in an intelligent fashion. These fourth-generation games have been described in the literature as interactive video devices, or IVD for short. The IVD will very closely resemble the microcomputer of the hobbyist, but at a small fraction of the cost because of the expected production quantities. This machine will play such sophisticated computer games as "Star Trek" and the like.

This fourth-generation game, or IVD, will be much more demanding of the television set to which it is connected, and direct video connection to that set will be required. Present television games connect to the television set through its antenna terminals. A much clearer picture results when direct bass-band connection is made to the video circuits inside the set. It is analogous to the phonograph input that was added to early radio receivers. A few phonographs were built that broadcast to the radio set, but much higher quality was obtained by directly accessing the audio circuitry of the receiver. Because these fourth-generation games will have so much to show, the limitations of using the antenna terminals will become evident, and a "video input" will probably emerge on ordinary television sets as a standard feature in two or three years. When portable television sets are made with such an input, the revolution will have happened.

Television games and the microcomputers of the hobbyist are aspects of computer technology that are surprisingly popular. Given the appeal that the personal calculator demonstrated, it is a safe bet to assume that the personal microcomputer will become popular in the years to come, particularly in view of the potential convergence between the hobby computer and fourth-generation games, for such convergences generally signify important developments.

Already hobby computers are being coupled together through the telephone network, exchanging programs, and – more significantly – playing interactive games where the contestants are coupled only by telephone circuits. Here may be the precursor of a new mass medium that will be very convivial.

Such a new medium involves the use of intelligent terminal devices on a common communication network, devices that can process and store information. Our television sets, our telephones, and our stereos are all dumb devices. They make no decisions, and they permit little or no interaction with the user; for, beyond selecting the channel and setting the volume and colour controls, they are under the complete control of the program source. The intelligent terminal is something quite different. It seeks only guidance from the "source," and the details of what it presents to the user

are a combination of what it receives from the "source," what it has stored in its memory, and what the user has done and is doing. It may present a view of a football field, with the ball location being calculated from rules it has stored; the moves made by the players are communicated to it through a keyboard. To do so, it may have gone to a centrally stored file of game programs, or may have obtained its "source" program from a tape cassette inserted by the player.

The incredible cost reductions that have occurred in the field of micro-circuitry have been generally overlooked in terms of the potential impact on society. This is perhaps due to the diffuse nature of the benefits this development will have in the long run. To the extent that microprocessors are used in automobiles, kitchen appliances, and other conventional goods, the probability that they will become widely used as personal computers increases. Already one microwave oven is advertised as containing a microprocessor, and at least one automobile manufacturer is using them in his quality line.

This technology is likely to have a far greater impact than technological advances that merely relate to delivery systems, like fibre optics, for example. We already have a very widespread mass delivery system that is putting a great deal of material into homes already. Technological improvements that merely multiply the already considerable capacity to deliver material are not likely to cause very much change. Since a viewer can watch only one channel at a time, it matters little that there are eleven or thirty channels he is not watching. There is certainly a law of diminishing returns operating, and clearly the first twelve channels are worth much more than the second twelve. The new transmission technologies, like fibre optics, are facing an established infrastructure and technology.

The microprocessor, on the other hand, is a new device that does new things in terms of its communications impacts. Hence it is facing virgin territory so far as infrastructure is concerned. The early indications are that the infrastructure will lead to a convivial development.

Radio, however, began in a similar fashion. The hobbyist was the market for quite a while. Then the advertiser discovered radio, and found a way of developing it with the economic benefits concentrated; thus it was pursued as a concentrated-benefit medium, producing a low level of conviviality. It is not very obvious how this new microcomputer medium could be so diverted.

The intelligent terminal is quite capable of operating free of any connection to a network, but becomes richer for that connection. The experience of playing football, for example, can then be shared between people who are connected only by a communication network. When intelligence in the network itself interacts meaningfully with the intelligence in the terminal, the full potential of

a new convivial mass medium of communication will be realized.

The other half of the technological revolution that completes the microprocessor intelligent terminal is the interconnection of these devices through a communications network. Two opportunities are available for this interconnection: one via the evolving telephone network and one that is based on extensions to the television cable.

The telephone network for most of the past hundred years has transmitted our voices by sending a varying electric current that was proportional to the signal we created at the mouthpiece. Over the last quarter-century this has been changing, and now the trend is to send a digitalized code that represents the instantaneous amplitude of the signal, instead of a voltage that is analogous to the signal. The newer transmission technique is called digital, while the older one is termed analog. The digital signal looks just like the bits of a computer signal. Limited cable-duct sizes and growing demands for circuits coupling telephone switching centres combined to cause the introduction, on a massive scale, of digital transmission facilities in our larger cities. This program has been going on for years.

Today, the escalation of switching demands and service requirements, along with the high costs of urban space, have combined to bring about digitalization again, but this time through the development of fully digital switching machines. Such machines are now under active development.

With digital transmission and switching systems there is the potential of a totally digital telephone network. Such a network allows much more than mere voice services. A facility that handles voice in its digital format is a natural for handling data transmission, and can even do both at once. The same technological developments that have produced the microprocessor have made it possible to build these new digital facilities, and at very reasonable costs.

With the exception of literal moving television pictures, the digital voice circuit can do just about anything. Consequently, sophisticated individualized services become very practical, given a digital environment.

Because of the investment involved, it is reasonable to expect a period of some fifteen years to elapse before such facilities are widely available, under the impetus of simple telephone needs. In the meantime, new data communications facilities are being developed within the telephone plant which will carry the signals from the IVDs with ease and economy. The transition from the data network phase, using services such as Bell Canada's DATAPAC, to a totally digital network will be very painless, and paced by the demand created by IVDs and their close relatives.

An alternative network for the interconnection of IVDs could spring from changes in the way cable operators use their coaxial cable. This possibility seems to be

recognized by at least one American cable operator in his purchase of the largest television game manufacturer. Stating that he will provide the re-programming for the third-generation games from a computer located at his head end, he expects eventually to develop facilities to permit the interconnection of individual IVDs to each other and to his computer. He apparently sees many opportunities in the combination of a network that is based on his television cable and the IVDs his regular CATV customers will own. As the residential market is reasonably well serviced by cable now, and since the market for IVDs will appear as largely entertainment for quite a while, there is a strong possibility that a simplistic residential digital network will be developed by the cable interests. The addition of audio facilities to these IVDs, allowing the players to talk to each other during their game, is only a matter of time. The IVD with these audio facilities could develop into the "Son of the Telephone"!

The restructuring of Canadian television broadcasting suggested by Stuart Griffiths could trigger such a chain of events, if care were taken in design of the infrastructure supporting the delivery facilities. There are very significant downstream consequences of the development of integrated networks of cable television facilities that must be recognized.

The provision of a limited form of service to a few game addicts is one thing, and clearly is something that the more entrepreneurial cable operator can readily perceive, as noted above. Providing a mainline high-demand service to everyone is quite another matter. If this new communications medium, based on IVDs, should become popular, it would probably cause greater traffic densities than the telephone does. The average person spends relatively little time on the telephone. This new medium could involve a significantly higher level of use. From this it follows that the switching facilities required in this new medium could exceed by several times even the projected telephone switching requirements.

This would be no small ancillary business for the cable operating agency. If the service were really to succeed, and if the agency were to proceed, it would cause cable to go through a radical change, probably within the next ten to fifteen years. It would change from operating a simple transmission facility for distributing television material to operating a very sophisticated message-switching system, exceeding even the telephone system in complexity and investment. The facilities required for this new service would grow to being the lion's share of the agency's investment. Furthermore, such an investment would virtually wipe out the utility of the existing local telephone plant.

Returning to the medium itself, one cautionary note must be sounded, for the IVD is quite capable of bringing about the hyper-commercialism scenario developed in the section on Responsive Mass Media. All that is missing is the coupling into television or other

broadcasting medium. Since that coupling is organizational rather than technical, it can happen quickly and easily. Consideration may have to be given to limiting shopping modes to those that are individual and do not involve mass advertising schemes on the broadcast media, to which instantaneous responses can be made to actualize purchases.

Just as the television sets we now use are dumb terminals, so is our present communication network, compared to what it might be. This same digital technology and the ubiquitous microprocessor could make the network far more responsive to our needs. Today, the telephone network responds only to properly formatted numeric requests. The dialing must be done in accordance with a set of exact instructions. The telephone number must always follow the area code. Such detailed instructions are slavishly followed. Only those who are connected to the modern electronic exchanges have access to anything but the simplest of services. Tomorrow, a clever network,⁷ could bring about the implementation of Illich's learning webs,⁸ through the combination of computer-aided learning and computer conferencing.

Computer-aided learning involves the use of a computer to aid both the student and the author in the business of learning. The student is aided by the system so that he works his way through the material in the way best suited to his own needs. The author is aided by having statistical data that accurately guide him in creating the most effective teaching program possible. The monitoring is not for the student's marks alone, it is also to indicate to the author where he has presented a concept that is being resisted, or misunderstood by the students. This technology is here, it works, and it is being used with real students in real situations at reasonable cost.

Computer conferencing involves the creation of a pseudo-conference within a computer that can be accessed at any time by the conference participants. Upon accessing the conference, one is fed the messages that have accumulated since the last check-in. New messages can be inserted, and these can be either private, that is, directed to a particular participant, or public, where they are directed to the whole conference. It is rather like having a private electronic mailing and filing system for the exclusive use of a group, however widespread, dedicated to a single task. Computer conferencing has proved to be a useful technique for the management of a crisis where the people involved are distributed over a wide geographical area. The technique was first successfully used by the Nixon administration in connection with their wage- and price-freeze program, where it worked very well.

The object in combining these two concepts is to bring together students at similar achievement levels, forming Illich's learning webs. The particular track each student takes as he passes through his courses, and the responses he makes, create a very idiosyncratic

behaviour-based profile of that student. Through the use of rather straightforward algorithms, the students can be coupled in computer-conference groups of a dozen or so, where they converse only with students with the closest track to their own. The system behaves as if it "understands" what is happening. In reality, it does only what is logical, given the data it has collected, and the rules it has for processing those data.

An intelligent digital network could provide the "smarts" to make such a scheme work, and it could work even if the computer-aided learning material were stored in the student's terminal, so long as suitable "hooks" were included in the material that the network could recognize. Such a service would be a lot more exciting than one that merely provided connection between properly identified ports, which is all we have now.

Gaming alone is not enough to make a new medium prosper, but it is likely to have the appeal required to launch a new medium. The combination of computer-aided learning and computer conferencing has the staying power to keep such a medium going over the long term. This latter combination does have some of the appeal found in CB radio, in that new and interesting acquaintances can be established that would not have happened otherwise. Together, gaming and computer-aided learning, with conferencing, provide a powerful content for a new convivial mass communication medium based on intelligent terminals (IVTs) and an intelligent network.

Datamation for November 1976 carries an item about a new business in Cliffwood, New Jersey, that is described as a department store for computer gaming enthusiasts. The company, Computer Recreations, provides a computer to which customers can connect their intelligent terminals and play games with each other. The games themselves are provided by the customers and stored in the company's computer. In addition to a connection charge of about a dollar an hour, a royalty is collected by the company for payment to authors of the games. Players are inclined to use aliases, and as the article suggests, Wonder Woman will be playing chess with Superman via computer. It seems it is less of an ego hit to lose while hidden behind an alias. Chess, golf, Monopoly, football, space war, solitaire, and blackjack are all available now on the system.

The economic transactions that this activity supports are of particular interest, for a good is being exchanged that is almost entirely ephemeral. Furthermore, the economic benefits are diffused throughout the society. Such transaction patterns may be very important in our future, and only sophisticated communications systems can support such patterns at any significant level. Growth of the economy in this direction will have little negative impact on our already overloaded environment.

Economic development in its classical form seems

limited owing to the pressure produced by climbing populations and limited resources. Without some fundamental changes, this dilemma could produce significant social and economic disruption. Many of the proposals for change in themselves involve difficult social adjustments that will never win at the polls. For example, Arthur Smith,⁹ points out that we have already tried "zero growth" and didn't like it, the reference being to the 1930s.

There appears to be the possibility of developing a significant level of trading activity based on the exchanges that a network of interconnected intelligent terminals and computers could sustain.¹⁰ One investigator, Yoneji Masuda,¹¹ has suggested that there is a potential here that exceeds the economic impact of the industrial revolution. Even discounting this claim, we may have an important opportunity and challenge here that should be examined with great care, for it may be the only means of having a future that will be exciting enough to win adherents.

The combination of these two developments, the intelligent terminal device and the digital communications network, are likely to produce a new mass medium of great conviviality and profound social benefit. It can be hoped that the play aspects of its two parents, the hobby computer and the television game, will survive. Because it is likely to produce benefits that will be diffused widely throughout society, its development is likely to be rather slow, and certainly unheralded. The fear is that, like radio, it could be perverted into a concentrated-benefit medium. This will not occur simply through the disposition of the hardware but rather through the form of the infrastructure that supports the content for this new medium. From what we can deduce at this time, it seems likely that such perversion will be avoided because of the nature of the medium itself, and the ease with which sophisticated help can be brought to the modestly skilled user in the preparation of content.

Chapter Five

Culture Defence

Canada has some particular problems as the neighbour of a country that actively exports its culture. Some form of defence against such exports seems necessary if we are to preserve our Canadian identity. While regulatory and legislative means have been used in the past, we have been reluctant to employ technological defence mechanisms, recognizing that the European experience in this area is rather unsatisfactory. It will be recalled that various European countries use different colour television systems that are incompatible.

Rather than adopting competing standards, which has been the basis of most technological defences against cultural invasion, there may be opportunities to use technology in such a fashion as to enhance the apparent quality of the Canadian product while not detracting from that of the competition.

Although television is thought of as a video medium, and the technological investment has certainly substantiated our belief, it is really very high in its audio content. The screen is really too small for television to be a principally video experience. The sound must continually attract us to that inadequate screen. We might quite reasonably make the sound on Canadian television something worthwhile. It could be both stereo and hi-fi. It is already FM, but it is so poorly used in the average receiver that it sounds even worse than conventional AM. That doesn't have to be. Let me link my stereo to my television if I must, but give me good sound on my television. Canadian-produced program material could then sound so much better than the competing material, given the proper receiver, that it would have a real advantage over material from other sources.

Considering the growing trend of cable viewers to equip themselves with converters, there is a relatively inexpensive opportunity to incorporate the necessary demodulation equipment in the television converter. Just as the converter now feeds the television set on only one channel, so this "Stereo-TV Converter" would feed both the television set and a stereo FM receiver on fixed frequencies. The remote-control feature of the converter would offset the difficulties inherent in using a receiving device composed of two basic units. Eventu-

ally, proper stereo television sets could be marketed, but access to the service could be had for a relatively small investment if we capitalized early on this growing demand for converters.

Much of the film material produced is in the form of multi-track audio, and would only need to be played on the proper projectors when shown on television to make multi-track source material available. A simple encoder could be added to the conventional television transmitter to accommodate the stereo sound. It is not technically difficult. The chief cost would lie in the increased line charges for carrying the additional sound channel between the television stations that make up our various networks. Such a system would be entirely compatible, in that old receivers would work with normal results, and old content would also work without change. Perhaps the TVOntario network would be a good place to start such an evolutionary change.

The second scheme that could improve our own television material is based on the introduction of Incasting, an anonymous-response system described in the Responsive Mass Media section. This strategy would likely result in the creation of television content specifically designed to be used in conjunction with a mass-response system. The possibilities are quite exciting.

There may be other ways of improving the way we present and view our culture, ways that will not detract from the way imported culture is presented, but will make our own appear to have an edge. If we could generate the consensus that such tactics were worthwhile, we would have achieved two things. First, we would have demonstrated in real terms that we want to develop our own culture while at the same time enjoying that of others. Second, just being able to generate such a consensus is a real demonstration of our cultural wealth.

Given the communications resources we already have, both installed systems and research facilities, perhaps we should look closely at the possibility of demonstrating real cultural maturity. We cannot prohibit the foreign culture, we must learn to stimulate our own while at the same time not denying the other.

We must, as it were, both eat the cake and preserve it too. There may be ways of using technology at very simple levels to help us do just that.

Chapter Six

Conclusion

Four areas of electronic media development have been presented that are not the commonly perceived ones. In each case, there is some compelling rationale for the development other than that supplied by the mere technology itself. The economic attractiveness of some of the proposals could blind us to the potential dangers; in other cases, the diffuseness of the benefits could significantly delay implementation. It is felt that these factors, when combined with the actions of the regulator, are more likely to determine what develops in the future in the electronic communications media. There seems to be an opportunity to do far more than just arrange for our protection from further violence in the accepted meaning of that term, for there may well be the opportunity to develop communications facilities that act as a true medium, and help us in our transition to a more ecologically balanced and civilized state.

Not to explore this possibility may perpetrate the greatest violence of all.

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Alternatives for Canadian Television

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Chapter One

Introduction

By definition, the focus of the inquiry of this Royal Commission is on the violent content of mass communications. That is not the immediate focus of this study. This report was undertaken at the request of the Royal Commission; its focus is the structure of Canadian broadcasting, whose shortcomings and problems make it difficult, if not impossible, for Canadians to influence and control the content of broadcasting available to them. This study undertakes to suggest solutions to the dilemma of a broadcast system which is shaped and distorted by forces outside domestic control more often than by Canadians within the Canadian political, social, and economic framework. Our aspirations for a truly Canadian system cannot be attained until this fundamental problem is resolved.

Of all mass communication available to Canadians, television – because of its pervasiveness, its power to inform, instruct and entertain, to mould our attitudes and sometimes our behaviour – is the most powerful and most influential. Problems which have evolved along with the development of the Canadian television system must be solved if television is to play an optimum role in the social and cultural development of Canada, indeed in the very unity of the country.

For three decades – from 1934 to 1960 – Canadian radio, particularly as manifested by the Canadian Broadcasting Corporation, was the single most important means of knitting the country together, entertaining it, informing it, and influencing it. Its importance was disproportionate to its size and resources. For most Canadians, both Francophone and Anglophone, radio substituted for a film industry, a national theatre, a national newspaper, a national magazine.

The larger cities, then as now, had other cultural amenities, but those were not readily available to the many Canadians who lived outside the cities. Although we were not isolated from our powerful neighbour to the south, Canadians were in those decades less conditioned and less influenced by the United States than we are now.

It was a maturing time for Canada, a time when a pervasive British set of values made way for the development of qualities uniquely our own and reflecting our

disparate origins. Canadians recognized the fact that we share a continent with a nation of vigorous, dynamic people whose similarities to Canadians vastly outweighed their differences. As U.S. and Canadian political, judicial, and social structures stem from our common British heritage, so does the language of expression common to the North American majority. For Canadians of French expression, a language barrier has protected and fostered a divergent culture. A part of the Canadian reality was and is its juxtaposition to the United States – a neighbour of power, wealth, and mostly unaware influence, with ten times the population of Canada.

A generation of passionate Canadians appeared during these years. Largely through radio, their influence spread throughout the country. Canadian radio played a unique role during the Second World War, reporting and linking those at home with those away.

Television was developed in Britain during the Thirties, but was not available to the public until after the end of the War. Almost immediately after hostilities had ended, television was launched in the United States and it developed rapidly. At first only those Canadians living near the border, in reach of American stations, could receive television transmissions. It was not until 1952 that television broadcasting began in Canada.

Television provided an illusion of reality which transcended radio. For many, it was difficult to separate its ephemeral image from reality. Seeing was believing, and that made the medium different, less imaginative yet more powerful, than radio. If one saw it on the box, it existed, if only for the moment. Within a decade after the end of the war, television had usurped the unique place of radio, which took a lesser place as just another convenience of living, like the gramophone, the telephone, and the automobile.

Canadians, escaping from the Depression and searching for an identity, emerged from the war a different people than they were at the beginning of it. The wartime contributions and experiences of Canadians fostered the development of a confidence and a pride that stimulated a rapid expansion of indus-

trial, economic, and cultural life. Our people came out of that War with a greater knowledge of, and interest in, the world outside our borders. Television was there to further that knowledge, to feed that interest. But daily exposure to television has made Canadians more like Americans.

Conditioned by two decades of television reportage of American wars and domestic conflict, Canadians have to a great extent accepted those images as our own reality, and added them to images of our own violent incidents, as duly reported by ubiquitous Canadian television cameras. Canadians can thus be seen to be twice blessed – we are influenced in our values and modes of life by the United States: we accept its violence and add it to our own indigenous violence. Pity, by comparison, the poor U.S. viewer, who has only his own American violence to watch, since rarely on his home screen does he see anything of his northern neighbour.

A Toronto viewer has more television to choose from than his counterpart in New York, Chicago, or Los Angeles. But, unlike the U.S. viewer, whose television diet is almost 100 per cent domestic, the Canadian sees an overwhelming proportion of non-Canadian programs. Canadian viewers who are not as advantageously located as those of Toronto, often complain that they are deprived, and clamour for more viewing choice. It seems clear that every Canadian viewer wants a richer system, providing more than the two, three, or four choices presently available to him. Cable television has stepped in to provide that choice – at least for viewers in the larger Canadian cities, where a viewer may today have access to more than 20 channels. Proportionately, Canada already has more cable connections than any other country in the world.

Regulations imposed by the federal broadcasting authority, the Canadian Radio-Television and Telecommunications Commission, require cable operators to carry all local Canadian signals: the remaining channels can be allotted to American signals. Those signals originate from stations outside Canada, which are neither regulated, licensed, nor controlled by Canadians. They compete strongly with Canadian telecasters for the Canadian audience. All American television (with the exception of the PBS stations) is financed by advertising. So are the majority of Canadian television stations. The Ontario educational stations and the CBC are exceptions. The two stations are entirely financed by provincial appropriations, while the CBC receives 20 per cent of its revenue from advertising and the balance from parliamentary appropriations. Advertisers buy numbers of viewers watching, so even the CBC is caught up in the numbers game as it tries to justify its costs by audience ratings.

The bulk of what Canadian viewers have available to them is American-produced television programming, received off-air by border viewers, through cable from American stations, or from Canadian stations which

buy programs from the American networks. At present, Canadian content on many cable systems is probably not more than 20 per cent of what is available. During 1976, there was pressure on the federal government to license pay-TV, which would provide further competition for viewers. Most of the content of any such system would be American-made programming.

This, then, is the Canadian system as it exists in 1977. Even this, inadequate and flawed as it is, is unlikely ever to become available to more than 70 per cent of Canadian homes.

What the Parliament of Canada described in the Broadcasting Act of 1968 as the Canadian broadcasting system is steadily becoming less Canadian in quantity, quality, and availability. It is increasingly indistinguishable from the system made in the United States for American viewers, and is increasingly beyond any effective Canadian control.

Presumably Canadians desire a distinctively Canadian broadcasting service as described by the Broadcasting Act. (See Chart G.) However, there is little hope of this within the system as it now exists, nor does the present system respond to concerns about identity, violence, and pertinence. What a system does not determine and originate, it cannot control. Our system is no longer responsive to Canadian needs, nor is it likely to be if it continues on its present course.

The aim of this study is to explore an alternative Canadian system.

Television Development in Canada

There are 6.7 million homes with television sets in Canada today. The number of television homes is increasing in direct relation to population increase. Many of these homes have several television sets, enabling simultaneous viewing of different programs by different members of the family. Twenty-five years ago there were 47,000 sets in the country, mostly in the Toronto-Niagara area. They were used by Canadians to watch American programs, because there was no Canadian television broadcasting at that time.

Canadian television transmission was introduced by the CBC in the autumn of 1952. Broadcasting was in English and French from the beginning. Television developed rapidly along the lines of CBC radio – with a network made up of a combination of stations owned and operated by the CBC in the larger cities and privately owned affiliates in smaller markets. By 1955, about 60 per cent of Canadians could watch television – programs presented by the CBC, the private stations, and, for those within range, the U.S. stations across the border. While a combination of Canadian and U.S. programs has always been a characteristic of the Canadian television service, in the early 1950s the proportion of Canadian-produced programs was, ironically, higher than it is today.

The early years of Canadian television were affectionately labelled “The Golden Years” by the CBC when it celebrated its twentieth television anniversary in 1972, because Canadians watched more Canadian programs then than they do now. Canadian producers, directors, and performers developed rapidly and became recognized as among the best in the world. And soon, because the limitations of Canadian opportunities and budgets could not keep pace with their aspirations, many of the most talented of the first crop of English-speaking television’s creative personnel drifted away from Canada. They have been followed by many more in successive years. Perhaps this must always be the role of Canadian English-speaking creative talent, who live in a larger competitive world than their French-speaking creative colleagues who are no less talented.

The places of those who left Canada were filled by older, less talented and younger, less experienced

creative workers. In the years since, much the same pattern of training, frustration, and deciding to leave or stay has continued. Older, less creative veterans frequently graduated into supervisory jobs in the CBC. The more aggressive, younger creative people freelanced and had only contractual relationships with the CBC, the main employer for creative talents during the 1950s. Popular programs of real quality often resulted from such relationships. For people who were seriously interested in the medium of television in a creative way, there was no other employer in Canada. It is not surprising that the CBC’s staff grew rapidly.

By the end of the 1950s, public pressure was forcing the development of “second stations” to provide alternative viewing for those Canadians who could only receive one channel. There was also pressure from advertisers who wanted additional choice and competition in television advertising. In 1961, the Board of Broadcast Governors, as the federal regulatory authority was then known, licensed the first group of “second” stations in Toronto, Montreal, Ottawa, Winnipeg, and Vancouver. So began the “commercial” network, CTV, which rapidly increased in number of affiliates. Little noticed, about the same time, was the beginning of cable television. This was a privately financed effort designed to provide television to areas which were too far away from a television transmitter to receive a signal off-air, and to provide choice in urban areas where only the CBC signal was available. The choice was usually American.

The addition of the second network increased the total number of hours of Canadian viewing. The second network was gradually able to mount programs that – if not in budget, at least in popularity – competed favourably with those produced by the CBC. Since neither Canadian network could compete with the U.S. networks in either budget or programming, each network used American programs to attract audiences to adjacent Canadian programs. The regulators – first the Board of Broadcast Governors (BBG) and then its successor, the Canadian Radio-Television and Telecommunications Commission (CRTC) – gradually increased the requirements in the *quantity* of Canadian

production required of all Canadian stations. The regulators realized that, while *quality* of production was an important factor in viewer choice, there were practical limits that had to be acknowledged. At the same time, they had to keep the pressure on the “second” stations and network to expand into less and less profitable coverage areas where viewers nevertheless wanted choice. These efforts increased the viewing of Canadian stations and, according to their popularity, of Canadian-produced programs.

By the middle of the 1960s, colour television, which had earlier come to the United States, came to Canada. Viewers who purchased the first sets now sought more choice of programs in colour to justify the cost of their sets. Many colour-television viewers living in cities discovered that, while acceptable black-and-white reception had been possible, colour suddenly made defects of reception apparent. More and more Canadians were moving to the cities, and the increasing numbers of large apartment and office buildings made colour television transmission extremely difficult, as the direct signals were shielded and reflected.

Cable television became the urban solution to provide more choice and technically better reception. It has extended rapidly through the late 1960s and 1970s. In many cities it is the main means of television reception. Cable is further developed in Canada than in any other country in the world.

It is cable television and its effects that have changed the nature of Canadian television from a narrow to a broad-choice system. This has happened with the apparent enthusiastic support of the Canadian viewer.

Chapter Three

Problems for the Present System

Cable Television

The Canadian regulators were reluctant in their handling of cable television. The BCG and the CRTC ignored it, then slowly recognized it, then isolated it, then tried to limit it, and, finally, only through immense public pressure, accepted it. Its Canadian history may represent hardly pioneering on the part of the operators and the triumph of public will in a democracy, for certainly the attitudes and actions of the regulators were not perceptive. One can perhaps forgive the earlier Department of Transport and the Board of Broadcast Governors, for in their days of responsibility for broadcasting, cable television was a very small thing. By the 1960s, its potential could be perceived; by 1967 its role was clear, technically if not legally. Yet the current Broadcasting Act, which became law in 1968, pays scant attention to the role of cable television in the Canadian broadcasting service.

Broadcasting, both radio and television, has always been regarded as a federal matter and has been so interpreted by the courts. Even a provincial broadcasting enterprise must be licensed by the federal regulator, currently the CRTC. Since cable companies are licensed to transmit programs, their operations are regulated according to the Broadcasting Act. (See Chart G.)

But is cablecasting (transmission of programs directly onto the cable system) really broadcasting? It can be argued that unless programs are transmitted by Hertzian waves through the ether, they are not "broadcast" within the meaning of the Broadcasting Act. The Act's definition of broadcasting inhibits the logical improvement of the technical quality of the television pictures and, unless redefined, may increase pressure to bring broadcasting within provincial jurisdiction.

The technical quality of programs carried by every cable company could be greatly improved by a direct connection from the television stations they relay. At present the program must first be transmitted and received before being relayed to cable subscribers. If all of a station's viewers in Canada were subscribers to cable, would there be any point in transmitting the programs through the ether? Cablecasting is making

transmitters redundant without increasing the number of viewers to the station. It provides only an alternative means of delivery.

It is not yet clear whether all programs carried by a cable company fall under federal jurisdiction within the Broadcasting Act. Jurisdiction over the programs the cable companies originate themselves, or relay by microwave from other points (major sports events, motion pictures, et cetera), requires clarification. The CRTC has taken the position that all such programs fall to it for regulation, but some operators and provinces dispute the federal jurisdiction over the carriage of such "closed-circuit" programs.

Uncertainty and apprehension in the federal mind is undoubtedly responsible for the unaccustomed and unseemly speed with which the federal Minister of Communications has indicated her wish to see pay-TV introduced into Canada. The health of broadcasting and the will of the people do not seem to be her primary concerns. Her motivation appears to be the fear that if speedy action is not taken by the Federal Government, pay-TV may start without federal authorization and be so rapidly developed as to make future regulation difficult or impossible. Ontario has already licensed one such operation in Toronto, although, at date of writing, jurisdiction has not been tested in the courts.

An urgent problem for Canadian broadcasting is therefore a resolution of the question, when is cablecasting not broadcasting? This clarification is important not only for cable television but also for conventional broadcasting.

The Television Broadcasting System

The problems of the Canadian television broadcasting system can be examined from the different vantage points of the viewer, the broadcaster, the cable operator, and the regulator.

1. The Viewer

There is a great disparity in the quality and quantity of the television service available to viewers in different parts of Canada. Those who live in the more remote areas of the country lack adequate television service,

although attempts have been made to provide service by such means as videotape shipments and low-power relay stations. Such remote areas will continue to be inadequately served until their population greatly increases or until direct satellite-to-viewer reception is possible. That isn't likely in the next decade. The number of such Canadians living in such areas is small, but their very remoteness and the lack of intellectual and entertainment amenities available to them should entitle them to high priority in extension of service.

There is a steady reduction in the rural population of Canada as people continue to move to the cities. Within the next decade it is likely that fewer than 5 per cent of Canadians will be rural dwellers – that is, there will only be about 325,000 rural television homes. These viewers now receive whatever they can pick up off air from direct transmission, usually at least one CBC and one CTV station or relay. Their case for more and better television is a good one, for, after the remote areas, the rural sections of the country possess the fewest social facilities. If television is looked upon as a service to viewers, the factor of need dictates these priorities.

Of the remaining television homes, those in our towns and cities, fully two-thirds are in areas where they can now or will be able very soon to subscribe to a cable system and so improve their choice of programs. (See Chart H.) There remain, however, over two million homes in areas which to date have not been commercially attractive enough for cable television to be introduced.

The operation of the market place has led to the situation where large cities, the richest in other social amenities, are also the richest in television choice. The areas of Canada where television enrichment would be socially just, where the need is greatest, are those least well served. There is an analogous situation for French-English minority viewers. Francophone viewers in English Canada and Anglophone viewers in French Canada (outside Montreal) have access to television choice on the level of rural areas – that is, only one or two channels.

Television of broad choice is available to an increasing number of Canadians, but on a basis of what is profitable to the cable operator, not on a basis of greatest need. Broad choice is identified with the spread of cable. Cable has brought us the whole overwhelming U.S. television system and, thus, a diminution of the Canadian identity – all of the buttons on the converter are equal and anonymous. The “Golden Years” are a long way back.

2. The Broadcaster

The television broadcaster had far better hopes for an enlarging audience in the 1950s than he has today. Although his audience then was smaller, it had growth potential as more and more radio listeners bought television receivers and joined the ranks of the viewers. In many regions, a television broadcaster provided the

only service and thus had 100 per cent of the audience. It is true that if he operated a station near the U.S. border, he had to compete for his audience with U.S. stations; but then he had some compensating advantages – he could carry U.S. programs, often ahead of their U.S. release, and he could offer a distinctive Canadian viewpoint and information to his Canadian viewers. Even the introduction of “second” Canadian stations in the 1960s did not seriously threaten the existing CBC audience base, because the audience was growing so rapidly. What happened was that people simply watched more television. Revenues rose, the quality of Canadian programs rose, and gradually the Canadian stations gained the largest share of the Canadian audience – albeit with plenty of U.S. programming.

Canadian broadcasters converted their broadcasting plants to colour before it was really economical for them to do so. Then, not long afterward, their audience share began to diminish as a result of the arrival on the scene of new cable companies which sprang up to provide improved colour reception for urban viewers. These companies also imported competitive signals which had hitherto not been available. At first, the audience was fragmented by the wider choice offered by cable. Then revenues to broadcasters declined as the numbers of viewers fell. They declined still further as the U.S. border stations, brought to the market by cable, began to compete with the Canadian broadcasters not only for share of the audience, but also for the Canadian advertising dollars needed to finance their broadcasting. The situation was particularly bad for the private broadcasters. The CBC could look to increasing parliamentary appropriations to take the place of lost advertising revenue and to subsidize escalating program costs so it could continue to compete with the imported channels. But the private broadcasters were dependent on commercial revenues and at the same time under pressure from the CRTC to extend coverage to more Canadians; this, of course, increased their operating costs, but there was not necessarily enough revenue from the additional audience to cover the increased costs. These factors led the private-station owners to economize by decreasing local service and by cooperatively purchasing more of their programs with their fellow network stations. These developments resulted in a net loss to Canadian performers and artists.

The CRTC tried to limit the number of stations carried by the cable system by prohibiting the import of signals by microwave except into areas where even a community antenna would not provide good reception. The public, however, demanded choice. The CRTC could not withstand the inevitable pressure and was forced to give in. Some broadcasters sought licences for cable systems in an effort to cross-subsidize their broadcasting. The CRTC opposed this on grounds that were never made clear.

Alarmed by the massive increase in non-Canadian

broadcasting now imported into Canada by cable, the CRTC licensed a third Canadian network (Global) which promised much but which went bankrupt within a year. The new network exacerbated the situation for Canadian stations by still further fragmenting the audience. Furthermore, the additional competition of the new network raised program costs for all Canadian broadcasters. That resulted in reduced spending in the smaller markets in Canada. Ironically, Global's failure also set back independent program production in Canada and eliminated a number of smaller producers.

The present owners of Global still struggle on with programs that are a reminder to the CRTC of its lack of foresight and understanding. The CRTC was probably relieved when a similar network, approved for French Canada, was still-born. When the licensee tried to transfer his licence to another Francophone broadcaster, permission was refused. Now Canadian broadcasters contemplate the possibility of pay-TV, licensed as another channel, which would compete for the audiences who obviously approve of more and more choice as they flock to subscribe to the cable systems.

3. The Cable Operator

The cable operator at first insisted that his role was simply to provide a more sophisticated antenna for attachment to subscribers' sets; this antenna made it possible for a television set to pick up more signals, originating from more distant locations. The subscriber simply paid the cable operator for the service. The cable operator protested that he was not a broadcaster and insisted on his right to remain outside of broadcasting and its responsibilities. Slowly and reluctantly he accepted the idea of being licensed and, somewhat cynically, he eventually even accepted the responsibility of originating local programs as part of the price. He is one of the few entrepreneurs who does not first have to own what he sells. Although he sells the programs broadcasters produce, he and his associates have traditionally refused to admit any financial responsibility to or for Canadian conventional broadcasting. He is eager to increase the number of the programs he sells his subscribers by adding pay-TV to his other channels; for this right he is willing to pay for the films he would present on pay-TV and even to see some of his financial returns funnelled back to conventional broadcasting in some fashion decreed by the CRTC. Even though he has vastly increased the available television fare in Canada, he insists that his is not a creative role – he is only a conduit pipe, a delivery man under contract to his clients, who number about 42 per cent of the television homes in Canada.

4. The Regulator

The CRTC has recently broadened its responsibility to add telecommunications to radio and television broadcasting. This seems a sensible move in that technology

is bringing all three areas closer together and often into conflict.

Canadian radio has developed into two fully-subsidized publicly-owned CBC networks, AM and FM, neither of which carries advertising, and a parallel private industry. The private stations compete with each other for income, and with each other and the CBC for audience.

Television, however, is a somewhat more clouded area. The CBC networks, English and French, are 80 per cent publicly financed but dependent for national distribution on privately owned television systems and cable operators as well as upon CBC-owned transmitters in some larger cities. The CTV network, broadcasting in English only, is privately owned and financed by advertising. While competitive in most of the country, it lacks the money necessary to broaden its service.

The Global network operates in Southern Ontario. Third stations in Winnipeg, Edmonton, and Vancouver have recently been licensed, and in the Toronto-Hamilton area there are two independent stations. The Ontario Government operates UHF stations in Toronto, Kitchener, London, Chatham, Windsor, and Ottawa and has plans to extend its two educational network to other parts of the province.

In Quebec, there is TVA, which presents French programs that are popular, but it lacks the revenues to compete seriously with Radio-Canada, the French network of the CBC. Its programs are carried on a number of second stations. The Quebec government originates an educational program service in French, which is relayed by microwave to a number of cable systems. There are no third stations as there are in English Canada.

The CRTC has had two main aims for Canadian broadcasting: to increase the coverage to as many Canadians as possible and to increase the Canadian content of what is broadcast. It was so preoccupied with these efforts that it failed to see the implications of the rapidly developing cable systems until late in the 1960s, because cable did not appreciably increase either coverage or content. The importation of large numbers of non-Canadian stations into areas which had not previously been able to receive them is a threat to the privately financed Canadian stations. But by the time the CRTC recognized this, it was too late to do anything about it. The public wanted the extra choices that cable provided and did not appear to be overly concerned with questions of Canadian content or Canadian broadcasting financing problems.

The CRTC tried belatedly to protect Canadian private stations by limiting the number of distant signals cable companies could carry, but it was swimming against the tide. In a forlorn attempt to gain something for the viewer and for creative individuals in the community, they required cable systems to originate a local service. However, few of the cable operators have any television broadcasting background or any desire to be producers.

They would prefer to buy and show old movies. In any case, it has been difficult to detect much audience for their community programming efforts.

The CRTC refused to allow cross-ownership of conventional television and cable, as some television operators proposed. Their idea was to use cable earnings to replace the advertising profits lost by audience fragmentation caused by cable and to use cable cash flow to support borrowings. In retrospect, that CRTC decision was probably a fatal error. Now, seven years later, the original suggestion is being advanced once more by the federal Minister of Communications in an effort to prevent the further erosion of Canadian television. But it is in all probability too late. Had the CRTC permitted cross-ownership in 1970-1972, at the time of its repatriation of foreign-owned cable assets, broadcasters would have found it financially possible. By now, cable and conventional television would have been inextricably interwoven, quite logically and naturally. The CRTC would have been saved the embarrassment of subsequent problems. Now the assets involved are probably beyond the resources of Canadian broadcasters. Because cable and broadcasting are not so interwoven, provincial governments feel free to mount claims to regulate cable operations, and the jurisdictional squabble remains unresolved.

In a further move to protect the Canadian content of the broadcasting system, the CRTC in 1975 began to require the deletion and substitution of the commercials incoming U.S. stations carried on cable systems. This has enraged the U.S. border stations, who, naturally enough, are not eager to lose the revenues their Canadian audiences bring to them. The U.S. Secretary of State recently protested to the Canadian Minister for External Affairs, an old broadcaster himself, and the Minister is quoted as saying "something would be done". At the time of writing, the CRTC has "temporarily suspended" the deletion of the commercials.

The problem facing the CRTC is that Canadians are subscribing to a television system of broad, but not national, choice. The Canadian content and character of the service are being steadily reduced because they have licensed more Canadian private television stations than can be supported by the available advertising revenues. Those revenues are being further shrunk by the cable-imported U.S. competition.

The CBC can, of course, ask for even larger parliamentary appropriations, but this takes it progressively in the direction of a wholly government-financed system of broadcasting with a completely different set of problems – credibility, control, and freedom of expression – problems with which many national systems, such as those of France and Italy, are still grappling.

The clear and present danger is that the rapidly developing Canadian cable broad-choice system, with its dependency on foreign stations plucked from the air,

will successively strangle the private sector of Canadian television and eventually bury the CBC.

Chapter Four

Problems for Canadian Television Production

The most pressing problem for Canadian television production is, of course, money.

Just as important, however, is the creative climate in the centres of production. The CBC has historically been the chief television producer in Canada. However, it has not, on the whole, done as much proportionately as the privately owned television networks to provide a creative climate. It has done little to build up the supporting industry of creative artists – producers, directors, and skilled production people – outside its own in-house staff. It has instead functioned somewhat as a greenhouse, controlling its own climate but not affecting or being affected by the climate outside.

This was the tradition of CBC radio and it was early adopted by CBC television. It led to a rapid increase in creative staff. Even though budgets always seemed tight, CBC television became self-serving, less efficient, and less competitive with those few creative individuals and companies on the “outside”. More and more of the costs of making programs were in the form of internal charges, higher than necessary, labelled as production costs.

Worse, however, was that the outside supporting creative “envelope” did not expand. This was true of film production for many years, until film, finding its own markets, established its own creative, local world. This has not happened for electronic production. Until the situation is remedied, there can be no renaissance in Canadian television production. Budgets, not talent, are usually cited as the chief reason that Canadian television programs have not found many markets outside their own country, as U.S., British, or even Australian programs have done. But there is good reason to believe that the skills to produce are as lacking in Canada as the talent. *Jalna*, produced at great cost by the CBC, is a case in point.

In the United States, the three major networks have done proportionately more to nurture their necessary creative climate by employing extensively on a free-lance basis. U.S. networks produce only two or three programs (other than news) on their own; the rest are the work of independent producers. It is worthy of note

that this situation came about because of directives from the U.S. Federal Communications Commission.

Providing more money for programming will not alone make Canadian television productions competitive with U.S. programs. If even the monies now available were spent in a free-lance market instead of internally, the quality of people available would shortly improve and their numbers would multiply. This would lead to greater economies within the CBC, by the elimination of supporting, clerical, accounting, and supervisory staff. (See Chart J.) Independent producers can do as well and for less money. It would make the CBC dependent on the creative world outside, but it would put the Corporation in a better position to make unbiased judgments about its programs. Creativity flourishes in freedom and competition, which are both lacking at present in Canadian television.

The privately owned CTV, with much less revenue, has done a better job than the CBC in attracting outside co-production, because it had no other alternative. But CTV alone cannot establish a creative climate. This can only happen when the normal way of making programs for television is by competition among producers and directors and writers, as is the case in most of the world's large production centres.

There should also be less emphasis on regional production for national distribution until the large centres – Toronto, Montreal, and perhaps Vancouver – have achieved the climate and developed the body of fiercely competing creative people that can raise the standards of present Canadian television production. At this stage, it would be better to make fewer, better regional programs for national release than the imitation national programs now produced in most of the regions. Ten feature films shot in regional locations would be better than a hundred of the present programs seen. U.S. television series are frequently set in different regions of the country, but the performers and the production staff usually are from the main centres. Chicago, Houston and New Orleans are not national production centres for U.S. television – why should we expect Halifax or Winnipeg to be national centres?

It is important to discuss climate and circumstances

before money, because simply increasing the money available for Canadian television will not cause more Canadians to watch programs made in Canada. The production climate has to change first. But it cannot change without considerably more money – at least two to three times the present sums available for television production. If the quantity of Canadian programs is to increase, as well as the quality, such a budgetary increase must be accompanied by efficiency. An increase in program budgets of two or three times, accompanied by a radical change in employment practices, will produce a startling improvement in Canadian television.

Chapter Five

The Cost of the Present System

Radio and television in Canada, which once were organized along similar lines, have now diverged.

The existing radio broadcasting system consisted of the publicly owned CBC networks, with revenues from advertising and parliamentary appropriations, and privately owned stations whose revenues were derived from advertising only. Recently, CBC radio, whose advertising revenues had in any case been gradually dwindling, changed its policy and it now carries no advertising.

Advertising revenues for private radio stations will be about \$213.6 million in 1976, compared with \$305.0 million received by all Canadian television stations. (Source: Maclean-Hunter Research Bureau.) Parliamentary appropriations will provide about \$100 million for CBC radio. The pattern seems now set — a wholly government-financed system and a wholly privately financed system. Together they provide both local and national services. While there are still varying opinions about what the nature of the CBC program service should be, by and large the system seems to work.

Television broadcasting also consists of both public and privately financed segments—the CBC (English) and Radio-Canada (French), private television stations, and cable operators. Revenues for 1976 are estimated as follows:

	(\$ millions)
Parliamentary appropriations (CBC)	316
Advertising (including CBC)	305
Cable	190
TOTAL:	911

Of the total, perhaps \$375 million is available for programming in all Canadian television. Cable penetration is about 42 percent (2,500,000) of all television homes.

Assuming that no basic policy changes were made in the present system and that economic development in the country followed the average of past years, the projected revenues available would be something like this:

1977	(\$ millions)
Parliamentary appropriations <i>(average rate of acceleration for past 3 years—17.8%)</i>	372.3
Advertising (including CBC)	329.2
Cable <i>(average rate of past 4 years)</i>	210.6
TOTAL:	912.1

Available for programming <i>(60% of parliamentary appropriations + advertising)</i>	420.9
Penetration of cable <i>(CRTC average rate of past 3 years)</i>	2,900,000 homes (44.5%)

1978	
Parliamentary appropriations	438.5
Advertising (including CBC)	355.2
Cable	265.4
TOTAL:	1,059.1

Available for programming	476.2
Penetration of cable	3,400,000 homes (51.5%)

1979	
Parliamentary appropriations	515.6
Advertising (including CBC)	383.1
Cable	330.5
TOTAL:	1,229.2

Available for programming	539.2
Penetration of cable	4,000,000 homes (61%)

1980

Parliamentary appropriations	608.5
Advertising (including CBC)	412.5
Cable	407.1
TOTAL:	1,428.1

Available for programming	612.6
Penetration of cable	4,600,000 homes (68.66%)

1981

(\$ millions)

Parliamentary appropriations	716.6
Advertising (including CBC)	447.5
Cable	491.7
TOTAL:	1,655.8

Available for programming	698.4
Penetration of cable	5,200,000 homes (77%)

(Note: no growth of cable penetration shown after 1981,
but subscription rate acceleration of 6% assumed).

1982

Parliamentary appropriations	844.4
Advertising (including CBC)	447.5
Cable	585.0
TOTAL:	1,876.9

Available for programming	835.0
Penetration of cable	5,200,000 homes (77%)

1983

Parliamentary appropriations	994.7
Advertising (including CBC)	517.5
Cable	620.2
TOTAL:	2,132.3

Available for programming	907.3
Penetration of cable	5,200,000 homes (77%)

1984

Parliamentary appropriations	1,171.8
Advertising (including CBC)	552.5
Cable	657.4
TOTAL:	2,381.7

Available for programming	1,040.5
Penetration of cable	5,200,000 homes (77%)

1985

Parliamentary appropriations	1,380.4
Advertising (including CBC)	587.5
Cable	696.8
TOTAL:	2,664.7

Available for programming	1,180.7
Penetration of cable	5,200,000 homes (77%)

(\$ millions)

Parliamentary appropriations	1,626.1
Advertising (including CBC)	622.5
Cable	736.6
TOTAL:	2,987.2

Available for programming	1,349.0
Penetration of cable	5,200,000 homes (77%)

1987

Parliamentary appropriations	1,915.5
Advertising (including CBC)	657.5
Cable	780.8
TOTAL:	3,353.6

Available for programming	1,543.6
Penetration of cable	5,200,000 homes (77%)

1988

Parliamentary appropriations	2,256.5
Advertising (including CBC)	692.5
Cable	827.7
TOTAL:	3,736.7

Available for programming	1,769.4
Penetration of cable	5,200,000 homes (77%)

The problems of the present system are easily defined but hard to solve.

1. The English service available to viewers is becoming marginally Canadian as choice expands.
2. English-Canadian programs do not attract as many Canadian viewers as do foreign programs.
3. The system provides neither the climate nor the money needed for Canadian programs to improve.
4. While cable grows as a factor in the revenue structure of the Canadian system, none of its revenues are available to support and improve the programs it relays.
5. Advertising revenues, the mainstay of private television and at present about 20 per cent of the CBC television budget, are likely to reduce further as fragmentation of audience increases. (In the figures above, no calculation has been made of such deterioration.)

6. The system can never be available to all Canadians because, as presently designed, there is no incentive to extend cable into rural areas.

7. Regulatory decisions have separated the natural partners, cable and conventional broadcasting, creating a hostile climate in the industry.

8. Lack of cohesion among the participating components of television broadcasting prevents the logical development of technology.

9. The cost of even an unsatisfactory television system will constantly increase and drift more and more to a wholly government-financed system.

In the next five years, parliamentary appropriations for television (CBC) will total about \$2.6 billion if they accelerate at the average rate of past years. In 1981, if cable installations proceed at present rates, about 75 per cent of Canada will be wired up; this is about as far as the present system can expand commercially. (See Chart H.) That would leave about two million homes with second-class or worse service. If the present system, providing service to only three-quarters of Canadian television homes, were continued past 1981, parliamentary appropriations by 1988 would total almost \$13 billion, with the likelihood that an even smaller proportion of Canadians would be watching Canadian programs on a service that was massively foreign and unresponsive to Canadian control.

The cost of the present system will go on increasing in the years ahead, both for viewers and for the government. But the irony of the system is that, as costs go up the quality of Canadian programs will go down, especially in the private sector. Meanwhile, increases in cable penetration will encourage Canadian viewers to watch more American programs and fewer Canadian programs. As this happens, advertising revenues will decline. This in turn will lead to further reductions in Canadian viewing of Canadian programs as they decline in quality in response to lower supporting revenues. Inevitably, the CBC parliamentary appropriations will have to be increased. In the long run, viewers will pay more and more for less and less Canadian programming. The equation will not change under the present system, nor will the condition in the industry that would enable improvement in television production.

As noted above, there is little likelihood that cable penetration will ever exceed 75 per cent of Canadian television homes – the level likely to be reached at present rates by 1981. For the remaining one-quarter of television homes, there will be no broad choice nor any increase in service unless it is wholly subsidized, or unless the system is redesigned. Parliamentary appropriations will have to be continued at no less than the present rate of acceleration and possibly at an increased rate, if, 75 per cent cable penetration reduces the ability of private conventional television to sustain its present level of programming. When this occurs, the advertising revenues will decrease not only for the private sector, but for the CBC also.

And how is one to estimate the cost of the depressing effect on the Canadian creative arts, as viewers become more and more dependent on American programs with their superior production values and heavy reliance on violence as a reliable theme?

It is unthinkable that such a prospect should be the future for Canada. Surely public opinion would force a change, just as the introduction of public broadcasting changed the future of Canadian radio broadcasting in 1933.

What is needed urgently is a contemporary broadcasting system and a Broadcasting Act that will provide a distinctively Canadian service that can be seen by all Canadians and that the country can and will afford. We should be at work on such a system now.

Horizontal versus Vertical

Present-day television can be described as “horizontally” structured. A station or network schedules programs of different kinds, one after the other, from morning to night. Each station manager tries to present programs at times of the day convenient to the kind of audience he wants to attract. All stations in a given area compete for their share of the total audience at any given time.

The horizontal structure has developed because the total service is provided by uncoordinated, separate authorities whose concern is to obtain the largest share of the audience at any given time. In areas of cable availability, two stations may be carrying the same programs at the same hour, both relayed by the cable system. Such duplication can occur when a U.S. station being relayed by a cable system is carrying a U.S. program which is also being carried by a Canadian network, or where two Canadian network affiliates are available in overlapping markets. Or the same programs may be carried by both U.S. and Canadian stations at slightly offset times, resulting in partial overlap.

Horizontal scheduling increases the possibility that the same program will appear simultaneously on more than one channel on the cable dial and also that similar kinds of programs are scheduled in competition for the average audience considered to be available. This is especially true of adult viewing hours.

The horizontal system is the normal pattern of program availability in all countries with competing systems of television broadcasting. Cable television has accentuated the competition of the service by introducing more and more horizontally scheduled programs.

The horizontal system, if it is not profit-motivated, programs for the average audience composition that may be expected and, if it is profit-motivated, for the most lucrative audience. Under such a system, even with a wide choice provided by a cable system converter, children’s programs (for example) are not seen in great quantity, because the children’s audience is not considered lucrative. A general audience – or one predominantly female, especially if urban and “upscale” – is the prime target audience, for it contains

more consumers, more paying customers for the goods and services advertised. This is why small minority audiences often find little of interest to them at times when they can watch, even on a broad-choice cable service. They are not of interest as consumers. This is also why a wide variety of general or adult programming is available at times when children are most apt to be viewing. Such programs are not necessarily bad; they are simply not pertinent to, nor designed for, children.

It is ironic that cable also provides the possibility of improving program scheduling and availability, but there is no incentive for the cable companies to do so. In fact, because of the definition of the Broadcasting Act and the regulations of the CRTC, cable systems are required to be merely relay mechanisms of what they pick up off-air. This requirement has resulted in all of the disadvantages in our present system already described – bad technical quality, fragmentation of the Canadian audience, reduced Canadian viewing of Canadian programs, limitations of choice by overlapping or duplication, the failure to program at convenient hours to minority audiences, and the general prevalence of adult programming at all times.

With the increasing penetration of cable television, it is technically possible to avoid many of these shortcomings, provided the programs have been designed for a genuinely broad-choice system. They are not so designed at present – and cannot be, as broadcasting exists today. To do so would require a sweeping change in Canadian broadcasting and the development of vertical programming based on channels specialized by program category.

A vertically-scheduled service, as described below, would enable the viewer to choose his own program schedule according to his interest at whatever time of day he chose to watch. It would enable children’s programming to be scheduled in greater variety and quantity than is possible in the horizontal system, and in a way easier for parents to monitor. Programs of adult appeal could be more easily scheduled and at later hours.

All of the programs in all categories would be

commissioned or purchased and originated by the system itself. Canadian and foreign programs in similar categories would be scheduled in juxtaposition to each other. There would be no need for a Canadian quota system – the emphasis would be on quality and interest in whatever category. If desired, advertising could be excluded at particular times or from particular channels.

Vertically programmed television would be planned and scheduled by an independent coordinating authority. In Canada there should be separate scheduling operations for English and French programs. To start, 12 channels could be vertically programmed. This number is chosen because all television sets can receive this number without a converter. It also coincides with the number of satellite channels presently available for the national distribution such a system would require.

As the system enlarged and more channels became available, even more possibilities would emerge. Repeats of programs at different hours, as well as narrower categories of programming, could be presented – sports, music, documentary, foreign-language programs, et cetera. The system could contain all of the Canadian programs that could be made, together with almost all available English and French foreign programming – a very rich system of broader and broader choice. All of the CBC radio services, in both languages, could be distributed to all parts of Canada in FM quality, a much more efficient distribution than that presently in use.

An Alternative System

An ideal television broadcasting system for Canada would be one that had the money and the creative industry to make enough high-quality programs – which would compare well with those of other countries, especially the United States – to attract viewers as a matter of their choice. These programs, together with a broad selection of the best and most popular foreign programs, should be available to all Canadians in both national languages. They should be scheduled vertically on at least 12 channels so that, whatever their taste, viewers could see the kinds of programs they wished to see at their convenience rather than having to confront the constrained availability of parallel competition in horizontal broadcasting. The system should be able to stimulate the growth of creative Canadian talent of all kinds and to make efficient use of technical facilities. It should be as independent of government or partisan influence as possible, subject to federal regulation but not direction. It should be capable of expansion both technically and culturally and should be in harmony with Canadian aspirations.

As demonstrated below, most of these goals are achievable, and for about the same price the present system will cost. However, it would require a radical revision of present regulatory policy, the restructuring of the industry as it now stands, and the creation of a new broadcasting organization.

Let us call the centrepiece of the new system *Television Canada* and imagine a scenario for the 1980s.

By 1983, Television Canada would provide cable connections to most Canadian homes and arrange substitute transmissions to those remaining. Both parts of the system would carry at least 12 separate channels of programs (over 200 hours each day). All of the channels programmed by Television Canada, in both official languages, would be available in all parts of the country. The new construction program would service the two million deprived homes unlikely to be served by present cable systems. The present wired areas would provide service to the balance of Canadian homes.

National distribution would be accomplished by feeding the 12 channels by existing Telesat satellite service simultaneously to all present cable distribution

centres, and by gridding the balance of the country to provide satellite reception points. The latter would be connected by trunk cable to conventional drops, in some cases; other points would be connected by package “stacked translators” which would allow the 12 signals to be received by conventional television sets within radii of about 50 miles. As these areas were wired up, the translators would be moved to more and more remote areas. The new system would have an unprecedented reach to virtually all Canadians.

Canadians living near enough to the U.S. border to obtain direct reception could still receive U.S. stations. For those connected to cable systems that at present relay more than 12 channels to subscribers with converters, the 12 basic channels on cable could be augmented temporarily by off-air signals, as at present. Subscribers would find, however, that most of the popular off-air U.S. programs would be available on the basic 12-channel service, rescheduled according to category of program.

All Canadians, as they were wired by cable, would pay the same rate as those already subscribing. The rates would be the same as average current cable charges (\$75 per year – 1976) increasing at the rate of 6 per cent per year. (See Chart A.)

Along with the engineering required to plan and commission the wiring up of the country, it would be necessary to create the programming organization required to program 12 simultaneous, categorized channels, expanding to more channels in later years. The new priority would be to plan and commission or purchase more than 200 hours of daily programs to feed 12 channels simultaneously. This would require an overall coordinating group to set the goals, develop technical and program policies, and allocate funds among groups of planners responsible for each channel.

There would be competition among the planners for funds but there would be no competition for audience numbers. The responsibilities of each planner would be to procure or create the programs within his program category and to schedule them. He would have access to viewers’ reaction to his selection, because the cable connections would enable a feedback of selected panels

to give instantaneous and continuous reaction. He would have the world to supply him in addition to what he ordered from Canadian producers. Since Canadian programs would be presented side by side with foreign programs of similar genres, Canadian producers would have much to aspire to. Canadian talent would benefit in the scheduling by category. There would be no throw-away Canadian programs scheduled merely to meet the CRTC quota.

Yet the goals suggested for Television Canada will emphasize the need for more and better Canadian production and will, as described below, provide more and more funds to enable it to take place. In the beginning there would likely be a great deal of good non-Canadian programming but, as creative competition generated the production of more and better Canadian programs, the number of non-Canadian programs would not decrease – for, by then, additional channels would be available and more and more material could be added. Inevitably, Canadian production – excellent then by any standard – would also increase.

The wealth of non-Canadian programs would increase the richness of the new Canadian system but would not submerge the Canadian-created programs as the present system does. Conversely, the new system would be likely to produce more and more Canadian programs of interest to other countries; generating important revenues for the new system, its private producers, and performers.

Some idea of possible future resources in comparison with those now available will illustrate the possibilities. Current funds available for television programming come from Parliamentary appropriations to the CBC and from advertising (ignoring the local programs of cable systems). In Chapter 5, "The Cost of the Present System", it was estimated that about \$375 million would be available for programs in all languages on all television, private and CBC, in 1976. With increased advertising revenues and increased Parliamentary appropriations at average rates of increase, the amount available for programming could rise to \$421 million in 1977 and to \$476 million in 1978. In contrast, for the year 1978, the new system could budget \$938 million, rising by 1988 to \$1.68 billion. (See Chart D.)

In addition to having more money to purchase programs, the new system (being the only buyer) would face no competitive bidding for non-Canadian programming, enabling it to purchase programs at lower rates than at present. The average price for a one-hour nationally distributed program in 1973 was approximately \$3,000; in 1976, about \$7,000 per episode. For half-hours, costs have increased from \$1,800 to \$4,000 per episode. Since the system will purchase nearly all of the U.S. popular series, savings of this dimension are important.

The much smaller staff of Television Canada (detailed below) will soak up a much smaller proportion

of total available funds. Television Canada for 1978 would budget only \$43 million for all staff, \$35 million for satellite costs, \$118 million for installations and maintenance of drops and writing. (See Chart D.) This would represent a total of \$196 million for distribution costs and administration, or 18.5 per cent of the total budget. The amount budgeted for the purchase of programs, including all production costs, would be \$895 million. In the private sector of the present system, 40 per cent of revenue goes to distribution and administrative costs; the percentage is even higher in the CBC.

During the first years of operation, the system would show a deficit because of heavy capital expenses in wiring up the country by new construction and by the purchase of all drops installed by the present cable operators prior to the initiation of the new system. However, by 1982, the system would be debt-free, even after paying interest for the deficit period from 1978 to 1982. By 1983, the country could be substantially wired up. By 1984, Parliamentary appropriations could be reduced to about \$300 million and further reduced to \$100 million annually by 1987. The figures in Chart D show an accumulated surplus in excess of \$1 billion by 1988; this does not take into account interest earned on accumulated funds or revenues from the sale of programs to foreign countries.

At present, Ontario, particularly the southern and eastern parts, receives the largest selection of Canadian programs. Ignoring the duplicated Canadian stations available on cable, in Toronto, two CBC, one CTV, one Global, one TVO, and two independent stations broadcast about 123 hours a day and four U.S. stations broadcast about 90 hours. The 123 Canadian hours (18 in French) contain about 56 hours of U.S. programs seen also on the U.S. stations. The total of 213 hours daily is 33.3 per cent Canadian (28.6 per cent English, 4.7 per cent French). Actually, the proportion of Canadian programs is less than this amount, because programs transmitted after midnight, usually foreign, are not computed for CRTC quota requirements. For cable subscribers with a converter, seven more channels are available, including additional CBC and CTV stations which largely duplicate the basic coverage, additional U.S. stations, and some service channels, carrying printed news and stock market reports, community notes, and cable-originated programs. Most converters provide a capacity of up to 36 channels, some currently unused. A calculation of the proportion of available Canadian content using a converter would be even lower.

In Ottawa, viewers can receive off-air four English and two French local stations. On cable, there are additional Canadian stations, largely duplicates of the local coverage, plus four U.S. stations. On the main Quebec cable systems (such as in Hull), the closed-circuit programs of Radio-Québec are relayed for eight hours daily. Taking Ottawa as a bilingual area, there are 106 hours of Canadian programs (70 hours English and

36 hours French) daily and, on cable, 72 hours of U.S. programs, for a total of 178 hours daily in addition to the normal cable services. Allowing for the foreign content in the Canadian programs, the Canadian percentage on cable is 28 (18.5 per cent English and 9.5 per cent French).

A comparison of the hours of programs available to a cable subscriber in the most saturated markets in Canada with those available to any American viewer will show that the Canadian cable subscriber has more television to see. But it is very difficult to use this wide choice efficiently because of its competitive scheduling. Even a 12-channel vertical schedule could contain more hours available for convenient viewing than most cable systems, and the channels would cater to a much larger variety of tastes. In addition, it would be possible to provide programs of higher quality than are now available and to eliminate the "wastelands" of major parts of the broadcast day.

It would be possible to deliver 216 hours daily on a 12-channel system, providing a viewing span from 7:00 a.m. to 1:00 a.m. on each channel. (Spans could be increased as required.) Material from the region could be transmitted to the central points of distribution during off hours (1:00 a.m. to 7:00 a.m.) for release between 7:00 a.m. to 1:00 a.m.

Here is a sample division of a 12-channel vertically scheduled national service of seven English channels and five French converting to a six-channel service in English and a six-channel service in French as additional satellite capacity is available. In French-speaking areas, the English regional Channel 8 would be replaced by a French equivalent and the capacity of the first French entertainment channel increased to a full day. This would provide a seven-English – five-French service in English Canada and a six-English – six-French service in French Canada, receivable on a standard 12-channel set. The English News and Public Affairs channel is elongated to provide live news (not delayed) in all time zones. Note that, because of heavy duplication in the present horizontal system, seven vertical channels are more than equal to 12 horizontal channels.

Channel 2	
Entertainment I	7 a.m. to 1 a.m. (English)
Channel 3	
Entertainment II	7 a.m. to 1 a.m. (English)
Channel 4	
Entertainment III	7 a.m. to 1 a.m. (English)
Channel 5	
News and Public Affairs	6 a.m. to 3 a.m. (English)
Channel 6	
Serious Entertainment	7 a.m. to 1 a.m. (English)
Channel 7	
Children's Programming	7 a.m. to 7 p.m. (English)
Cinema	7 p.m. to 1 a.m. (English)

Channel 8	
Regional, Educational, Consumer Information	8 a.m. to 12 a.m. (English)
Channel 9	
Regional, Educational, Information	7 a.m. to 7 p.m. (French)
Entertainment I	7 p.m. to 1 a.m. (French)
Channel 10	
Entertainment II	7 a.m. to 1 a.m. (French)
Channel 11	
News and Public Affairs	7 a.m. to 1 a.m. (French)
Channel 12	
Serious Entertainment	7 a.m. to 1 a.m. (French)
Channel 13	
Children's Programming	7 a.m. to 7 p.m. (French)
Cinema	7 p.m. to 1 a.m. (French)

Sports could be provided on any of the entertainment channels, or on specialized sports channels when additional channel capacity becomes available.

As discussed below, additional satellite capacity would provide increased possibilities for varying program proportions, linguistically or otherwise. In addition to the factor of population size, there is more English programming than French because more of the English content is foreign, and less foreign material is available in French. Disparity in English and French services is traditional in Canada but this system would considerably reduce this disparity.

The Royal Commission on Bilingualism and Biculturalism reported that more French Canadians than English Canadians were bilingual, in a ratio of four to one. Programming in English, particularly U.S. programming, is becoming more popular among Francophones. There is less viewing by English Canadians of Canadian programs made in French, because fewer Anglophones understand French and those who do are not always located in areas where French-language programming is available. Widespread availability of a broad-choice television system in French Canada, with a greater proportion of U.S. entertainment programming than available at present, would likely reinforce bilingualism among Francophones. But Anglophones will likely have to be politically, economically, and culturally motivated to learn another language. The availability of French programs will help them to learn if they wish to do so, and will make it easier for them to be in touch with the development of Francophone culture in Canada.

At present, only Quebec, Ontario, and Alberta produce "educational" programs for television, but other provinces are moving in a similar direction. The Quebec programs are all in French – about four hours a day, repeated to provide 56 hours each week. They are distributed by Quebec cable companies but cannot reach all French-Canadian viewers. The TVOntario

programs, mostly in English, but including daily French-language programs are broadcast on three transmitters in the Toronto, London, Kitchener, Chatham, Windsor, and Ottawa areas and are partially carried on cable.

Some of the two programs are non-Canadian, purchased from the U.S. Public Broadcasting System and other sources. These would likely be included in the normal content of a vertically scheduled service. The inception of a broad-choice national television service would probably alter the type of educational television services now produced by Canadian provinces. They would likely become more specifically regional and more pedagogically oriented. Programs of this kind produced by the provinces, and available to all provinces, would be valuable in increasing national awareness and promoting a stronger federalism.

For the first few years of a vertically programmed television service in Canada, a limiting factor would be the 12-channel capacity of the satellite delivery service. Although it could deliver all 12 channels of programs nationally, it could not provide separate feeds for each time zone. Present television programs are adjusted to the Canadian time zones by tape delay of a separate western feed from the Eastern time zone. As a compromise, utilizing an Eastern time zone-fed satellite delivery, Maritime viewers would see the programs one hour later, local time, and Central time zone viewers, one hour earlier, local time; distribution to Mountain and Pacific time zones would be delayed by tape at the ground receiving or distribution point. (A variation of this approach is already in use in the United States.)

New satellites now being planned by Telesat, to be available around 1983, will provide additional capacity, will be better designed for television relay, and will operate at somewhat lower rates.

With additional satellite capacity it would be possible, for example, to transmit 16 channels by satellite and select, on the ground at the point of reception, 12 channels to be relayed in any given area. This would provide a larger proportion of French or English service in any given area without the use of a converter. With a converter, all 16 channels would be available. It may well be that as cable distribution becomes the normal method of television distribution in Canada, the converter will become an integral part of the receiver. Such receivers are already manufactured in Canada. But, in most parts of Canada, 12 well-utilized channels would provide such an improvement in quantity and quality of television and such a challenge to producers, that this number would be sufficient for some time to come.

As they became available, additional channels would of course provide for additional new material. They could also spread out the contents of the 12 channels and present more frequent replays on different patterns, enabling still more convenience to the viewer at only a small additional cost to the system. It would also simplify the problem posed by Canada's six time zones

– two more (Atlantic and Newfoundland) than in the United States. The satellite off-time could be used to deliver more and more regional material to Television Canada for retransmission in the national transmissions available to the entire country.

Chapter Eight

The Structure Of The New Canadian Broadcasting System

The new system would consist of three components: one, publicly owned and financed, to be responsible for the content of the service, to be styled *Television Canada*; the second, privately operated, to provide the technical and production services needed to make programs and maintain a national cable service, to be called *Television Canada Facilities*; and third, and in many ways the most important, the large body of creative individuals – writers, artists, designers, actors, singers, producers, directors, journalists, production assistants, costume designers, and agents – that would make up the free-lance creative world on which Canadian television depends.

Television Canada would consist of a relatively small coordinating, planning, and scheduling organization of less than 1,000 employees.

The staff would come from the present components of television broadcasting in Canada – the CBC, private television, and the cable companies. Each of these would disappear into Television Canada, which would become the single national television broadcasting agency in the country. Its structure would not, however, resemble that of present conventional television.

A new privately-operated company, Television Canada Facilities, would be formed to provide facilities for the production of programs, the installation and maintenance (but not ownership) of cable drops and connecting wiring, and a sales agency for the sale of advertising time on the new service (as determined by Television Canada).

Production organizations would form quickly to provide programs for Television Canada. Under free and smaller competitive enterprises, the quality of Canadian programs would improve, as it does in other major producing countries. And because more money would be available and less would be spent on unnecessary overhead, the creative world would enlarge and prosper.

The immediate goals of Television Canada would be to schedule and originate 12 channels of programming and distribute it to all parts of the country, and to oversee the installation and maintenance of program drops in every Canadian home. The 12 channels would require a

considerable increase in the quantity of Canadian-produced programs. This in turn would require the most efficient use of production facilities and personnel, best accomplished by a private-enterprise operation concerned with satisfying its customers and making a profit.

Television Canada Facilities' customers would include Television Canada, television production houses, producers and directors who would require production facilities, and television viewers whose sets would be connected to cable distribution outlets operated and maintained by Television Canada Facilities.

Revenues to operate Television Canada would come from subscription fees, from advertising and, on an interim basis, from Parliamentary appropriations. A developing source of income would be from the sale of Canadian programs to other countries. Another source would arise from Television Canada's ownership of subscriber drops into every television home. In the future, these connections and the distribution network that connected them would likely carry non-broadcast material and services on either a fee or rental basis.

Parliamentary appropriations, at the rate presently paid to the CBC, would be required during the early years when there would be heavy capital demands for the wiring of every television home in Canada. But – and this is of prime importance – from the very beginning there would be almost three times the present total amount available for programming.

After the initial wiring-up period (preceding 1982), Parliamentary appropriations could be materially reduced. During the build-up years, about \$2.6 billion would be required, but that is equivalent to the amount the CBC would ordinarily receive during the same period under the present system. After this period, some \$300 million annually would be required, diminishing as other sources of income develop. If the present rate of appropriations continues to be paid to the CBC for television, about \$12.5 billion will have to be paid from 1977 to 1988 and about \$10 billion from 1982 to 1988. (See Chapter 5.)

Chart E shows the progress of the wiring-up of

Canadian viewers and the sources and disposition of the funds required. The overall cost to the government over the period 1977-1988 would be much less than if it continued to make appropriations to the CBC over the same period. Yet the revenues available for program production or purchase would be greater than they would be under the present system, which has no possibility of ever becoming a contemporary, broad-choice, fully-controlled system available to all Canadians.

Parliamentary appropriations will still be required to carry on CBC radio services at the 1977 rate of \$100 million annually, but this can likely be reduced by the cheaper, broader, national distribution of CBC radio services as a by-product of Television Canada's broad-choice television distribution system. There could be considerable technical benefit for radio, since all service would be of FM quality and in stereo, if desired.

It is proposed that Television Canada would own the drops and trunk wiring connecting individual subscribers. It would purchase existing drops and trunk wiring from present cable companies and would finance the installation of all new wiring to be carried out by Television Canada Facilities. Ownership of the subscriber drops by a national, publicly owned organization would enable the federal authority to arrive at whatever agreements or accommodations individual provinces and the federal authorities might reach in the future. (The federal Minister of Communications tabled an agreement with the Province of Manitoba in November 1976; it is reproduced as Appendix B. The CRTC is seeking a legal opinion on its status which, at the moment contravenes CRTC policy.) Telesat services, which to date have been largely financed by federal funds, would be employed to effect direct distribution to regions. This would provide a revenue base to support the development of second-generation satellites.

The new system would also offer distinct advantages to any province eager to provide specialized broadcasting services to its citizens. A combined national distribution system such as Television Canada would be the most efficient way of reaching all the inhabitants of any single region or combination of regions, because of the satellite distribution feature the new system would employ.

Television Canada Council (Coordinating and Policy)

Chairman (staff)	1
Vice-Chairman (staff)	1
Heads of Program Planning and Scheduling (staff)	2
Head of Television Canada Facilities	1
Department of Communications representatives	2
Financial Consultant (staff)	1
Engineering Consultant (staff)	1
Public representative	6
TOTAL	15

Television Canada Staff

Chairman and staff	10
Vice-Chairman and staff	10
Financial Consultant and staff	15
Engineering Consultant and staff	15
National and International Liaison	10
Research and Public Relations	50
Planning and Scheduling Division:	
English	100
French	100
Regional English	150
Regional French	50
Traffic and Clearances	50
Program Purchasing and Sales	25
Legal, Contracting and Accounting	140
Administration and Clerical	200
TOTAL	925

Costs: Salaries	\$22,000,000
Expenses	18,000,000
TOTAL	\$40,000,000

Chapter Nine

Television Canada

Television Canada would consist of a coordinating and policy-making council and a staff responsible for television broadcasting in English and French. A variety of approaches might be taken to the appointment of the members of the governing council, but there are some basic considerations which the appointment procedure should reflect. These include the competence of council members, and the requirement that the council as a whole be managerially effective; regional, provincial, cultural, and linguistic representation; the special relationship of Television Canada to Television Canada Facilities and the creative communities; and the role and responsibilities of Parliament. The council would report to Parliament through the Minister of Communications. The council would be responsible for policy, setting of goals, research, financing of a broad-choice program service in two languages, and engineering its distribution. Its efforts and those of the staff would be directed to planning, determining, measuring, and contracting rather than to manufacturing or execution of the work entailed. Its staff should be the best available, chosen with priority on experience and attainment in their fields.

A planning and scheduling division would be responsible for the choice of programs and their purchase from Canadian and non-Canadian sources. Similar operations would be carried on in English and French, and each language group would be subdivided into categories of programming to correspond with each channel to be scheduled. There would be regional as well as national staff employed in most categories.

The finance and accounting division would be responsible for the collection and disbursement of all revenues. An engineering group would be responsible for planning all technical requirements and liaising with the outside agencies which would carry them out. There would be a legal and contracting division to handle the purchasing and sale of programs and services. A traffic and clearance division would handle the preparation and execution of program transmission. Necessary liaison, program sales, research, and public relations staff would also be associated with the operation.

There would be a total of approximately 950

permanent staff, as shown below. The creative and support staffs presently employed by the CBC and private television would be free-lancers, employed by the producers and producing companies contracting with Television Canada for the production of Canadian programs. Television Canada itself would own no studios or production equipment: these would be absorbed initially by Television Canada Facilities, as described in the next chapter.

The revenue of Television Canada would come from subscription fees and advertising, with Parliamentary appropriations during the first five or six years, thereafter being phased out. The subscription fees would be at the average level currently being paid by cable subscribers (1976 – \$75 per annum), with provision for growth at a rate of 6 per cent per year. Parliamentary appropriations would be at the average rate of CBC appropriations' acceleration for the past several years, until 1982. Then, as shown in Chart D, there would be a decreasing requirement. This might well be eliminated by the development of other sources of revenue, such as the sale of Canadian programs and increased advertising revenues.

Advertising, even at the current rates projected, would play a smaller role in the financing of Television Canada than it does in the present system, because of the relatively larger role of subscription income. But a broad-choice system of television would offer advantages to advertisers in providing additional channels and larger, more selective audiences.

It is likely that an entirely Canadian-originated service such as Television Canada would finally repatriate much of the money now spent for advertising on U.S. border stations, whose signals would no longer be carried in the Canadian service. Canadian viewers living on the border could continue to receive U.S. border stations but would have little incentive to do so, since virtually all of the U.S. network programs would be a part of the Canadian service.

Chapter Ten

Television Canada Facilities

Television Canada Facilities would be formed from the present physical assets of the CBC, private television, and the existing cable companies (other than cable drops which would be owned by Television Canada). Since the new company would have an ongoing purpose, the existing organizations would have an interest in the integration arrangement to be worked out. One way of developing an equitable base for merger would be to use gross fixed assets as reported to the CRTC. For the year 1975-76 (latest available), these show private television at a value of \$182 million and cable at a value of \$358 million. (See Chart I.) The CBC figures are not readily comparable but there are now 28 CBC owned-and-operated television stations, compared with 74 private stations, so a rough valuation might be \$150 million. This would put the total gross assets of the new company at approximately \$690 million and would provide a basis for dividing the shareholdings.

This might be an occasion for some present members of the broadcasting industry to withdraw, if they so wished. The revenue from purchase by Television Canada of the existing cable drops and trunk wiring from the newly formed company would provide the cash flow (\$396.6 million) to enable the remaining shareholders to buy out those who wished to withdraw and so consolidate the shareholdings of the company. Assuming, however, that no such withdrawals occurred, the CBC share of the holdings would amount to about 22 per cent, which would constitute the shareholdings of the new company held in the name of the public. It might be that a maximum public participation of 30 per cent could be agreed on.

Television Canada Facilities would provide production and technical facilities, install and maintain cable drops and trunking, and act as sales agent for advertising for Television Canada. It would have to maintain the necessary staff to carry out these functions in areas designated by Television Canada. It would also have to maintain efficient modern production facilities and equipment as required. There would be continuous and close liaison with Television Canada to enable Television Canada Facilities to carry out these responsibilities on an adequate time schedule.

Television Canada Facilities would be free to sell its services to other customers. Similarly, nothing need prevent any shareholder, former broadcaster, or cable operator from forming his own production house and taking part in a quite separate creative role in television. Undoubtedly, some broadcasters would do so, for they are among the most experienced producers in the country. However, in these roles they would be in equal competition with other producers.

What would induce the present members of the Canadian broadcasting fraternity willingly to join such a company?

For the broadcaster it might be the knowledge that, without an effective fiscal basis of joining forces with the cable operator, his broadcasting undertaking would in the years ahead be menaced by the widespread penetration of cable. This would leave him without any effective way of combatting the fragmentation of his audience that would surely lessen his earnings.

The CBC might base its acceptance on an awareness of its historical role in the service of the people of Canada and the desire to take part in a truly national, contemporary television broadcasting system. It would be impossible to develop such a system without restructure of the present system and the role of the CBC within it.

The cable operator could be won over by a realization that it would eventually be impossible for him to take part in a broadcasting service that by its very nature slowly strangles the elements within it that made it Canadian.

It would not be enough to require the present pioneers of Canadian television to alter their relationships and responsibilities without recompense. A study of Chart E, showing a projection of Television Canada Facilities' earnings for the years 1977-88, will show that the shareholders of the new company would likely fare as well or better in their new roles as in their old.

The *CRTC Annual Report for 1975-76* provides a summary of the private broadcasting industry for 1975 compared with 1974. (See Chart I.) Television earnings before taxes were \$39 million in 1975 (\$23 million in 1974) and those of cable were \$30 million in 1975 (\$27 million in 1974). Thus, total earnings, before income

taxes, of private television and cable in 1975 were \$69 million (\$50 million in 1974).

The projected earnings before taxes for 1978 of Television Canada Facilities are \$80.6 million, rising to \$151.2 million in 1988. The reason for the improvement in potential earnings is that Television Canada would make possible the full wiring of the country, impossible under present cable operations. It would thus provide a higher revenue base and greatly improved program budgets, and that would result in more Canadian programming of higher quality.

Under efficient management and usage, the present television production plant could produce much more than it does now; it would be the responsibility of Television Canada Facilities to provide continuing efficiency for the profit of its owners, the present broadcasting establishment. Competing production facilities might well develop as a result of increased production requirements; the resulting competition would be in keeping with the development of a larger free-lance creative community in Canada.

Development of Television Canada

With the “wired nation”, additional sources of revenue should be available to Television Canada for, in the future, the drops could carry other non-broadcasting material and services. The carriage of non-broadcasting material and services would be attractive to provinces and common carriers, and might be shared with provincial telecommunications companies. But, from the completion of the main wiring in 1983, Canada for the first time would truly have a national system.

Additional program channels could be established at the 1978 cost of about \$80 million each. Additional channels at somewhat cheaper rates will be available from Telesat after 1983 from the second-generation satellites being planned now. The federal government should welcome this national employment of Telesat facilities because, unless it is utilized for the national television distribution system, Telesat is unlikely to achieve a defensible rate of return on the public funds expended.

The new system could establish an independent news operation along the lines of Independent Television News in Great Britain, maintaining and adding to international news operations in both languages, as well as more effective Canadian services throughout the country. The national availability of a service in both languages throughout the nation would give reality to the country's bicultural development. Also the presence of both English- and French-speaking journalists in all parts of the country should provide a far better basis of national understanding than we have at present.

Most important of all, on the basis of revenue available and the encouragement of free, independent, cultural expansion in the main production areas of the country, for the first time Canada might begin to produce programs on an international level of excellence as a normal course, instead of in the occasional, convulsive, self-consciously Canadian way we have come to expect.

An excellent argument that premium channels (Pay-TV) should be part of the national system rather than individual private enterprises would rest on the ownership of the local drops by Television Canada, which would make a national distribution apparatus possible. Because of the much larger base, rates could

be lower. Since Pay-TV's mainstay would be current cinema films, there would be a natural circulation of such films from cinema first run, to the premium channel, to normal television release. Picture quality would probably be better, since most of the Pay-TV schemes suggest origination from sub-standard tapes. A national system could employ 35-mm projection or quad tape. Profits could be used to purchase premium attractions, such as sports events, for inclusion in normal transmissions to all subscribers.

The development of Television Canada would simplify broadcasting regulation for the federal government. It would eliminate television licensing procedures and the organization required to regulate a complicated, widely dispersed, uncoordinated television broadcasting industry. It would greatly simplify logging, commercial content examination, regulation, and statistics. It would remove a great deal of the pressure associated with numerous and complex hearings and allow the regulators to be more concerned with content, viewer reaction, and program balance – more positive roles than the CRTC has at present, with the emphasis on procedure required by current regulation.

It may well be that if the policy-making function for broadcasting is removed from the CRTC, as the Minister of Communications has proposed, a more direct link with Parliament through the Department of Communications would result. There are always some dangers in too close a proximity of mass media and politicians, but even that might be preferable to the Parliament's monumental disinterest in broadcasting that has characterized the past decade. It is this lack of interest that has facilitated the different interpretations of the Broadcasting Act by the CRTC, the CBC, private broadcasters, and cable operators which have produced the present system with its attendant problems. These have often been caused by the failure of parts of the broadcasting system to anticipate them.

For the future, a greater emphasis on planning resources, setting goals, and marrying regional, cultural, and national aspirations to technology and economics would be a most useful, appropriate, and complementary role to the parallel development of the healthy, enlarging, competitive, creative world of television in Canada.

Chapter Twelve

Political Action

Cultural institutions develop against political backgrounds. The Broadcasting Act 1967-68, as amended, describes a broadcasting policy for Canada, sets up the CRTC to regulate and license the broadcasting system and requires the Canadian Broadcasting Corporation to carry out the broadcasting service described in the broadcasting policy. Although it makes no specific reference to the cablecasters' role, because their reception activities require licensing, the CRTC does in fact license and regulate them. They have, under the Act, become a part of the system.

It is the contention of this study that the system no longer is guided by the policy from which the service described in the Act is derived.

The Act should be amended to reflect what Canadians desire in the way of broadcasting services, their distribution, and regulation.

It is clear that an increasing number of Canadians now receive one kind of broadcasting service, while many receive another kind. The Act makes no mention of such a dichotomy. Although the Broadcasting Act describes the federal jurisdiction as pre-eminent in broadcasting, the system which has evolved seems to open the door to provincial involvement. This should be rationalized to bring things more in line with technological developments.

It is also apparent that large numbers of Canadians desire, and are willing to support, changes in the services that the system provides. By 1978, at present rates, a majority of Canadians will be utilizing and supporting a broadcasting service and system that are far removed from the ones described in the Act. Moreover, the service is often supplied by a licensee whose role is not even mentioned in the Act. To complicate matters further, as a part of the service he supplies the licensee performs actions that appear to lie outside the Act and may be under provincial jurisdiction.

In November 1976, the Minister of Communications, the Hon. Jeanne Sauvé, tabled in the House of Commons an agreement, made with the Province of Manitoba; this may be the forerunner of similar agreements with other provinces. (See Appendix B.) It

allocates to the province responsibility for providing the telecommunications facilities required to carry on cable broadcasting in Manitoba, and to the federal authorities responsibility for the contents of the broadcasting carried over those facilities.

Once the bill is approved by both parties, Manitoba will give priority to the construction and use of the necessary distribution facilities to wire up the province, while the contents, including Pay-TV, will be supplied by licensees of the federal authorities. Under this agreement it is no longer necessary for programs to be transmitted through the ether and to be received in order to be identified as "broadcasts".

If the Minister can come to similar agreements with the remaining provinces, the way may be open to revise the Act. The Minister seems to believe there is some urgency now to do so. If there is to be a new and rationalized broadcasting system for Canada, this would be the appropriate time to examine what kind of a system would best serve Canadian requirements.

All this is against the background of Canadian federalism. The election of a government for Quebec whose fundamental belief is that Quebec is better off outside Canada makes it more urgent for those who disagree with such a development to fashion the national facilities for better understanding, tolerance, and appreciation of the two main cultures that are characteristic of Canada. A different kind of broadcasting service, provided by a different agency no less Canadian, may be better able to supply a more contemporary and useful national service.

The evolution of Television Canada from the present Canadian broadcasting system may not take place in the pattern described here. If the Manitoba agreement between provincial common carriers and the federal government should become the pattern for future development, it would have a major bearing on the proposals made here. Less federal capital would be required to wire up the country and more of the incentives to do so would be provincial, rather than federal. But the provision of the broad-choice system, which would be the federal responsibility, would provide an opportunity to analyze the present system and to ascertain whether

its mere extension would be as good for the country as its replacement by some other system which offered real hope for improvement, efficiency, and responsiveness.

It is not enough to be concerned about the effects of television on Canadians, whether the focus is on violent programming or on lack of minority programming, distinctiveness, excellence, or convenience. What a system does not determine and originate, it cannot control. We can make few changes without changing the system, if that system is to serve Canadian requirements effectively and do justice to the mosaic of cultural diversity that constitutes the Canadian reality.

Appendix A

Chart A: Television Canada

Estimated Revenue from Subscribers for the Years 1978–1988

Year	Est'd. annual revenue per subscriber* \$	<i>No. of subscribers</i>		<i>Revenues</i>		Total (\$'000)
		at end of prev. year ('000)	added during year ('000)	Subscribers at start of year (\$'000)	Subscribers added × .50 (\$'000)	
1976	75.00					
1977	79.50					
1978	84.27	2,900	500	244,400	21,100	265,500
1979	89.33	3,400	600	303,700	26,800	330,500
1980	94.69	4,000	600	378,800	28,400	407,200
1981	100.36	4,600	600	461,700	30,100	491,800
1982	106.38	5,200	600	553,200	31,900	585,100
1983	112.76	5,800	600	654,000	33,800	687,800
1984	119.52	6,400	600	764,900	35,900	800,800
1985	126.69	7,000	500	886,800	31,700	918,500
1986	134.29	7,500	150	1,007,200	10,100	1,017,300
1987	142.35	7,650	150	1,089,000	10,700	1,099,700
1988	150.89	7,800	150	1,176,900	11,300	1,188,200

* Increase of 6% per annum in revenue per subscriber.

Chart B: Television Canada

Estimated Costs of Maintenance for the Years 1978–1988

Year	Cost per subscriber* \$	No. of subscribers at start of year ('000)	Total (\$'000)	Profit @ 10% (\$'000)	Total incl. profit (\$'000)
1978	13.48	2,900	39,100	3,900	43,000
1979	14.29	3,400	48,600	4,900	53,500
1980	15.15	4,000	60,600	6,100	66,700
1981	16.06	4,600	73,900	7,400	81,300
1982	17.02	5,200	88,500	8,900	97,400
1983	18.05	5,800	104,700	10,500	115,200
1984	19.13	6,400	122,400	12,200	134,600
1985	20.28	7,000	142,000	14,200	156,200
1986	21.50	7,500	161,300	16,100	177,400
1987	22.79	7,650	174,300	17,400	191,700
1988	24.16	7,800	188,400	18,800	207,200

* Increase of 6% per annum.

Chart C: Television Canada

Estimated Capital Expenditures

Year	Est'd. no. of homes connected*		Capital expenditures*		Cumulative (\$'000)
	During year (^{'000})	To end of year (^{'000})	Per connection (\$)	Annual total (\$'000)	
					321,600***
			To end of 1977		396,600
1978	500	3,400	150	75,000	471,600
1979	600	4,000	200	120,000	591,600
1980	400		200	80,000	
	<u>200</u>		250	<u>50,000</u>	
	600	4,600		130,000	721,600
1981	600	5,200	250	150,000	871,600
1982	200		250	50,000	
	<u>400</u>		300	<u>120,000</u>	
	600	5,800		170,000	1,041,600
1983	600	6,400	300	180,000	1,221,600
1984	600	7,000	300	180,000	1,401,600
1985	500	7,500	300	150,000	1,551,600
1986	150	7,650	300	45,000	1,596,600
1987	150	7,800	300	45,000	1,641,600
1988	150	7,950	300	45,000	1,686,600

* Based on annual increase of 20% up to 8,000,000 level and then increase of 150,000 annually.

** Includes trunk lines and subscriber drops.

*** Costs to end of 1977 included as expenditure in 1978 in "Forecast of cash flow".

Chart D: Television Canada

Forecast of Cash Flow for the Years 1978-1988

Expenditures

Year	National distribution* (\$'000)	Cap. expend.** (\$'000)	Local Distribution Maintenance (\$'000)	Programming and admin. (\$'000)	Total (\$'000)
1977	396,600 (value of existing drops and wiring)				
1978	35,000	471,600	43,000	938,100	1,487,700
1979	35,000	120,000	53,500	994,400	1,202,900
1980	35,000	130,000	66,700	1,054,100	1,285,800
1981	35,000	150,000	81,300	1,117,300	1,383,600
1982	40,000	170,000	97,400	1,184,300	1,491,700
1983	40,000	180,000	115,200	1,255,400	1,590,600
1984	40,000	180,000	134,600	1,331,000	1,685,600
1985	40,000	150,000	156,200	1,410,900	1,757,100
1986	45,000	45,000	177,400	1,495,600	1,763,000
1987	45,000	45,000	191,700	1,585,400	1,867,100
1988	45,000	45,000	207,200	1,680,500	1,977,700
	470,000	1,686,600	1,357,800	14,932,000	18,446,400

* Service provided by Telesat Canada.

** Includes trunk lines and subscriber drops; 1978 figure includes costs to end of 1977.

*** Interest @ 10% per annum on average deficit.

Receipts

Subscriptions (\$'000)	Advertising (\$'000)	Parliamentary appropriations (\$'000)	Total (\$'000)	Annual (\$'000)	Interest*** (\$'000)	Surplus (Deficit) Cumulative (\$'000)
265,500	355,200	438,500	1,059,200	(428,500)	21,000	(449,500)
330,500	383,100	515,600	1,229,200	26,300	20,000	(443,200)
407,200	412,500	608,500	1,428,200	142,400	15,000	(315,800)
491,800	447,500	716,600	1,655,900	272,300	2,000	(43,500)
585,100	482,500	844,400	1,912,000	420,300		376,800
687,800	517,500	994,700	2,200,000	609,400		986,200
800,800	552,500	330,000	1,683,300	(2,300)		983,900
918,500	587,500	300,000	1,806,000	43,000		1,026,900
1,017,300	622,500	200,000	1,839,800	76,800		1,103,700
1,099,700	657,500	100,000	1,857,200	(9,900)		1,093,800
1,188,200	692,500	100,000	1,980,700	3,000		1,096,800
8,003,100	6,040,000	5,148,300	18,651,500	1,152,800	57,000	

Chart E: Television Canada Facilities

Net Operating Earnings

Year	Installation* (\$'000)	Local Distribution Maintenance* (\$'000)	Representation** (\$'000)	Advertising rental of sales program Facilities*** (\$'000)	Total
1978	7,500	3,900	24,900	44,300	80,600
1979	12,000	4,900	26,800	47,000	90,700
1980	13,000	6,100	28,900	49,800	97,800
1981	15,000	7,400	31,300	52,800	106,500
1982	17,000	8,900	33,800	56,000	115,700
1983	18,000	10,500	36,200	59,300	124,000
1984	18,000	12,200	38,700	62,900	131,800
1985	15,000	14,200	41,100	66,700	137,000
1986	4,500	16,100	43,600	70,700	134,900
1987	4,500	17,400	46,000	74,900	142,800
1988	4,500	18,800	48,500	79,400	151,200

* 10% of cost to Television Canada.

** 7% of advertising revenue of Television Canada.

*** Per Chart F.

Chart F: Television Canada Facilities

Calculation of Net Earnings on Rental of Program Facilities

Year	Cost to TV Canada of programming and origination* (\$'000)	Payment for rental of facilities** (\$'000)	Net earnings on rental of facilities*** (\$'000)
1978	895,700	295,600	44,300
1979	949,400	313,300	47,000
1980	1,006,400	332,100	49,800
1981	1,006,800	352,000	52,800
1982	1,130,800	373,200	56,000
1983	1,198,600	395,500	59,300
1984	1,270,500	419,300	62,900
1985	1,346,700	444,400	66,700
1986	1,427,500	471,100	70,700
1987	1,513,200	499,400	74,900
1988	1,604,000	529,300	79,400

* Increasing @ 6% per annum.

** 33% of cost of programming and origination.

*** 15% of rental of program facilities based on following analysis of such operations:

	%
Revenue	100
Program costs	
Direct	50
Indirect	13
	63
Administrative Expense	22
	85
Net Operating Earnings	15

Chart G

Excerpt from The Broadcasting Act 1967-68

Part I – General Interpretation

2. In this Act

“broadcaster” means a person licensed by the Commission to carry on a broadcasting transmitting undertaking;

“broadcasting” means any radiocommunication in which the transmissions are intended for direct reception by the general public;

“broadcasting licence” or, in Parts II and III, “licence” means a licence to carry on a broadcasting undertaking issued under this Act;

“broadcasting undertaking” includes a broadcasting transmitting undertaking, a broadcasting receiving undertaking and a network operation, located in whole or in part within Canada or on a ship or aircraft registered in Canada;

“Commission” means the Canadian Radio-Television Commission established by Part II;

“Corporation” means the Canadian Broadcasting Corporation established by Part III;

“licensee” means a person licensed by the Commission to carry on a broadcasting undertaking;

“Minister” in Parts II and III means the Secretary of State of Canada;

“network” includes any operation involving two or more broadcasting undertakings whereby control over all or any part of the programs or program schedules of any of the broadcasting undertakings involved in the operation is delegated to a network operator;

“radiocommunications” means any transmission, emission or reception of signs, signals, writing, images, sounds or intelligence of any nature by means of electromagnetic waves of frequencies lower than 3,000 Gigacycles per second propagated in space without artificial guide;

“temporary network operation” means a network operation with respect to a particular program or series of programs extending over a period not exceeding one month. 1967-68, c. 25, s. 3.

Broadcasting Policy for Canada

3. It is hereby declared that

(a) broadcasting undertakings in Canada make use of radio frequencies that are public property and such undertakings constitute a single system, herein referred to as the Canadian broadcasting system; comprising public and private elements;

(b) the Canadian broadcasting system should be effectively owned and controlled by Canadians so as to safeguard, enrich and strengthen the cultural, political, social and economic fabric of Canada;

(c) all persons licensed to carry on broadcasting undertakings have a responsibility for programs they broadcast but the right to freedom of expression and the right of persons to receive programs, subject only to generally applicable statutes and regulations, is unquestioned;

(d) the programming provided by the Canadian broadcasting system should be varied and comprehensive and should provide reasonable, balanced opportunity for the expression of differing views on matters of public concern, and the programming provided by each broadcaster should be of high standard, using predominantly Canadian creative and other resources;

(e) all Canadians are entitled to broadcasting service in English and French as public funds become available;

(f) there should be provided, through a corporation established by Parliament for the purpose, a national broadcasting service that is predominantly Canadian in content and character:

(g) the national broadcasting service should

(i) be a balanced service of information, enlightenment and entertainment for people of different ages, interests and tastes covering the whole range of programming in fair proportion,

(ii) be extended to all parts of Canada, as public funds become available,

(iii) be in English and French, serving the special needs of geographic regions, and actively contributing to the flow and exchange of cultural and regional information and entertainment, and

(iv) contribute to the development of national unity and provide a continuing expression of Canadian identity;

(h) where any conflict arises between the objectives of the national broadcasting service and the interests of the private element of the Canadian broadcasting system, it shall be resolved in the public interest but paramount consideration shall be given to the objectives of the national broadcasting service;

(i) facilities should be provided within the Canadian broadcasting system for educational broadcasting; and

(j) the regulation and supervision of the Canadian broadcasting system should be flexible and readily adaptable to scientific and technical advances;

and that the objectives of the broadcasting policy for Canada enunciated in this section can best be achieved by providing for the regulation and supervision of the Canadian broadcasting system by a single independent public authority. 1967-68, c. 25, s. 2.

Chart H: Cable Television in Canada

Selected Statistics by Subscribers and by Province as of 31 August 1974

	Sub- scribers	Households						Systems ¹ licensed
		Wired		Licensed Area		Province ²		
		Number	Sub- scribers Wired %	Number	Wired Licensed Area %	Number	Licensed area Province %	
Ontario	1,230,393	1,775,940	69	1,885,652	94	2,540,000	74	121
British Columbia ³	514,091	605,170	85	639,759	95	749,000	85	68
Quebec	466,963	1,057,487	44	1,166,955	91	1,764,000	66	141
Alberta	173,375	349,198	50	357,980	98	519,000	69	20
Manitoba	100,740	172,861	58	179,353	96	311,000	58	6
Nova Scotia	45,361	79,342	57	89,397	89	222,000	40	21
New Brunswick	18,611	30,755	61	31,925	96	169,000	19	14
Saskatchewan	10,253	13,080	78	15,325	85	273,000	6	4
Newfoundland	310	310	100	480	65	125,000	—	1
Prince Edward Island	—	—	—	—	—	30,000	—	2
TOTAL	2,560,097	4,084,143	63	4,366,826	94	6,703,000*	65	398

Prepared by Broadcast Operations Directorate from CRTC annual returns (4 August 1976).

1. Systems licensed are as of 31 August 1975.

2. Source: Statistics Canada publication no. 64-202.

3. British Columbia includes Northwest Territories and Yukon Territory.

—: figures too small to be expressed.

*Note: Figures may not add to total shown, due to rounding.

From CRTC Annual Report 1975-76

Chart I:

Financial Summary of Private Broadcasting Industry for 1975 (with comparative figures for 1974)

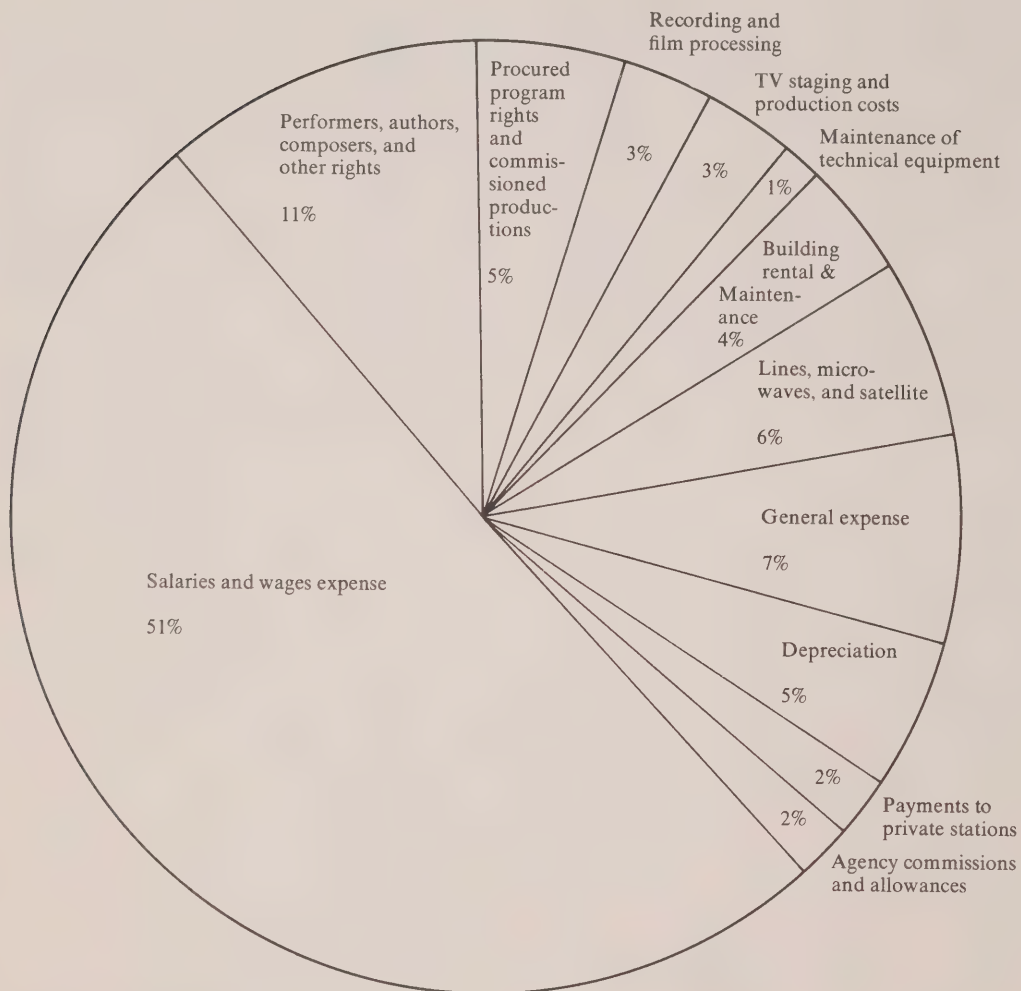
	(\$ Millions)								Percentage of Total Revenue							
	Television		Radio		Cable		Total		Television		Radio		Cable		Total	
	1975	1974	1975	1974	1975	1974	1975	1974	1975	1974	1975	1974	1975	1974	1975	1974
Total operating revenues	228	194	209	183	161	133	598	510	100	100	100	100	100	100	100	100
Expenses																
Program	93	89	59	50	6	5	158	144	41	46	28	27	4	4	25	28
Technical	20	18	9	8	35	27	64	53	9	9	4	4	22	20	11	10
Sales	22	20	43	39	8	7	73	66	9	10	21	21	5	5	12	13
Administration	41	34	59	49	37	27	137	110	18	18	28	28	23	20	23	22
Depreciation	11	11	6	6	33	29	50	46	5	5	3	3	20	20	8	9
Interest	5	4	5	4	14	11	24	19	3	2	2	2	8	8	4	4
Other expenses (Income)	(3)	(5)	(2)	(2)	(2)	—	(7)	(7)	(2)	(2)	(1)	(1)	(1)	—	(1)	(1)
Total	189	171	179	154	131	106	499	431	83	88	85	84	81	80	83	85
Income before income taxes	39	23	30	29	30	27	90	79	17	12	15	15	19	20	17	15
Provision for income taxes	24	18	13	13	15	13	52	44	11	10	7	7	9	10	9	8
Net income	15	5	17	16	15	14	47	35	6	2	8	9	10	10	8	7
Gross fixed assets employed	182	157	105	99	353	320	645	576								
Total no. of employees	5,226	5,052	7,568	7,330	4,155	3,764	16,949	16,146								

*Prepared by Broadcast Operations.

From CRTC Annual Report, 1975-76.

Chart J

Canadian Broadcasting Corporation operating expenditures for Television and Radio
 CBC Annual Report 1975-76
 Percentage Distribution of Total Operating Expense Year ended March 31, 1976



Note: Excludes 1976 Summer Olympics

Chart K

CRTC Annual Report 1975-76

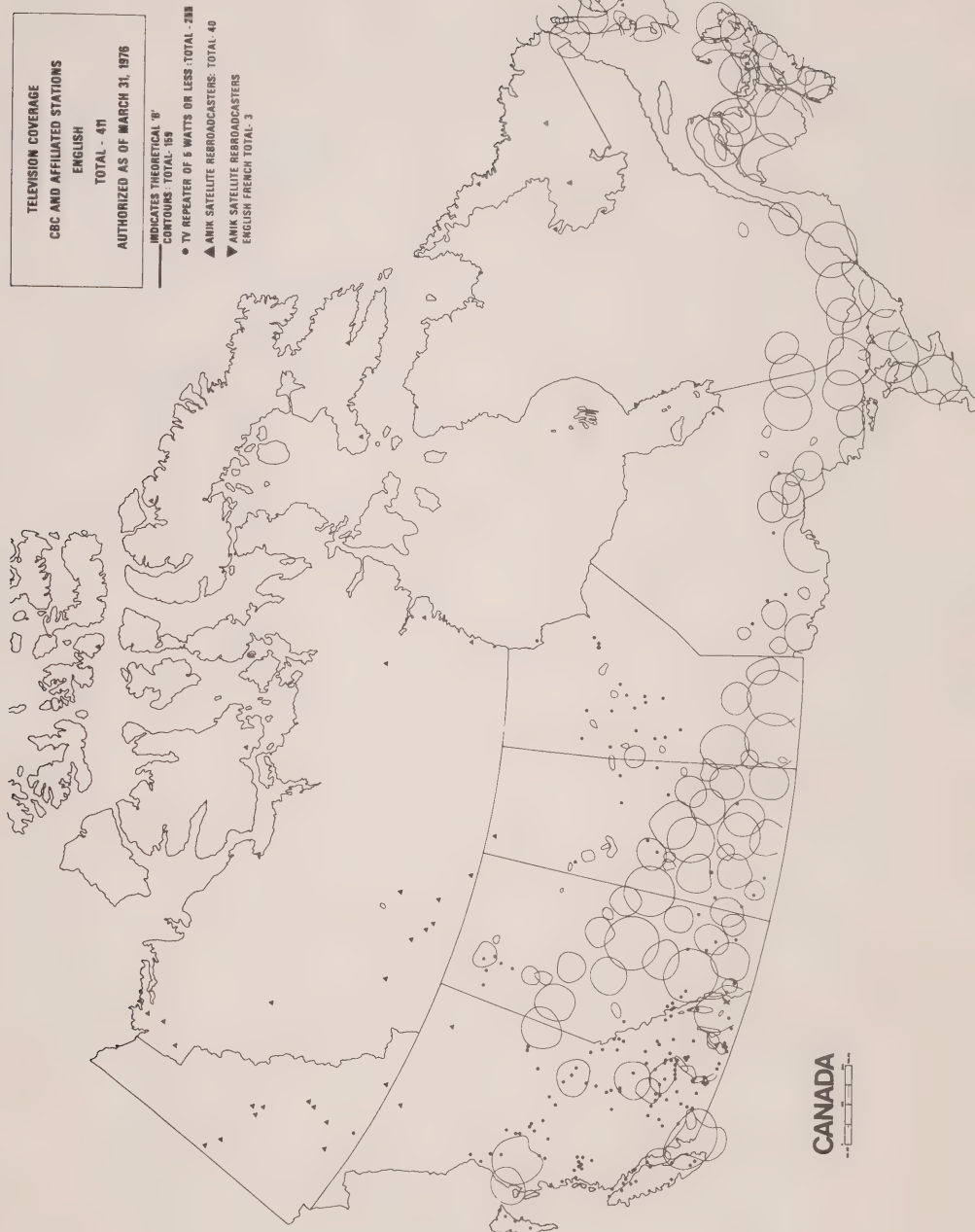


Chart L

CRTC Annual Report 1975-76

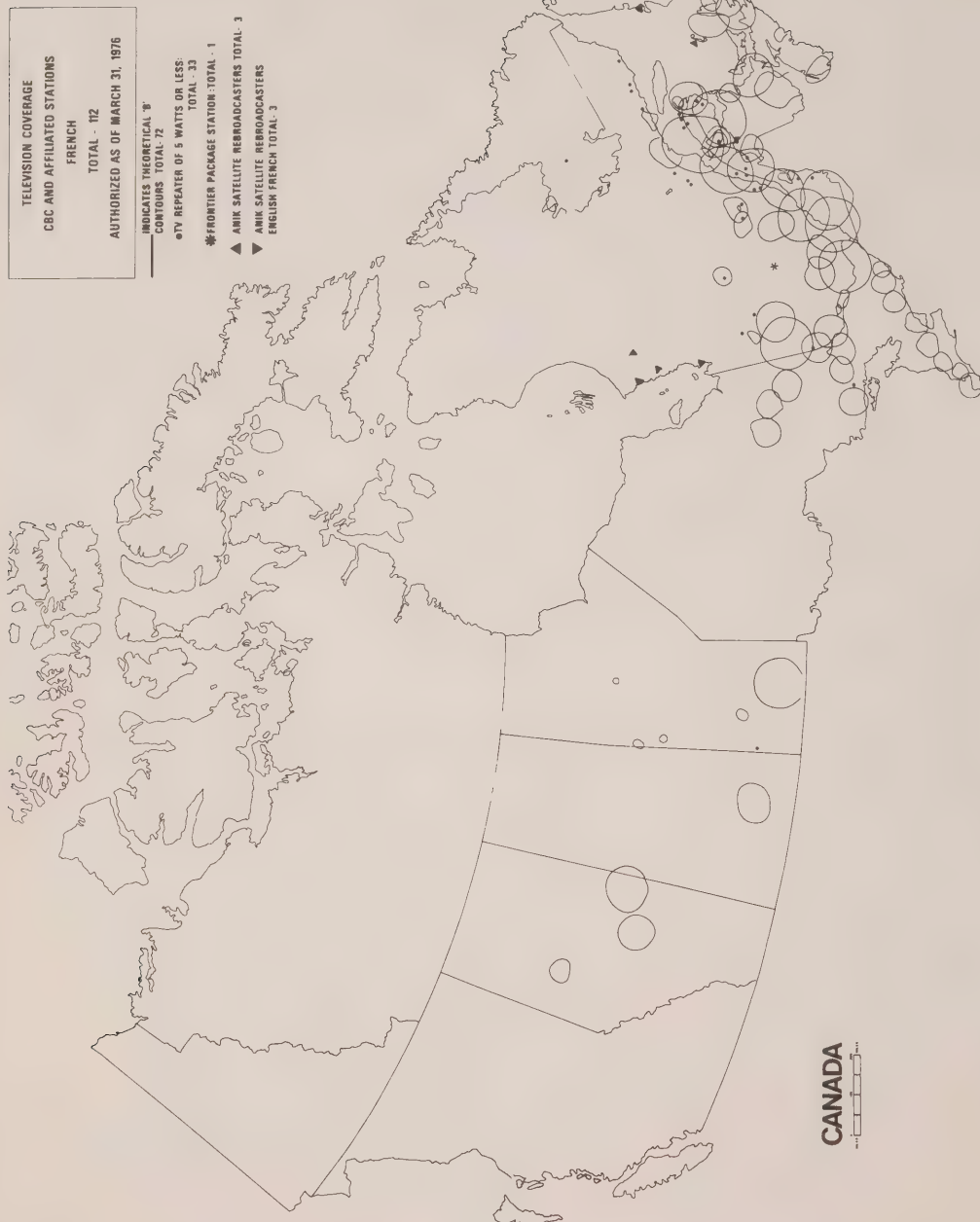


Chart M

CRTC Annual Report 1975-76

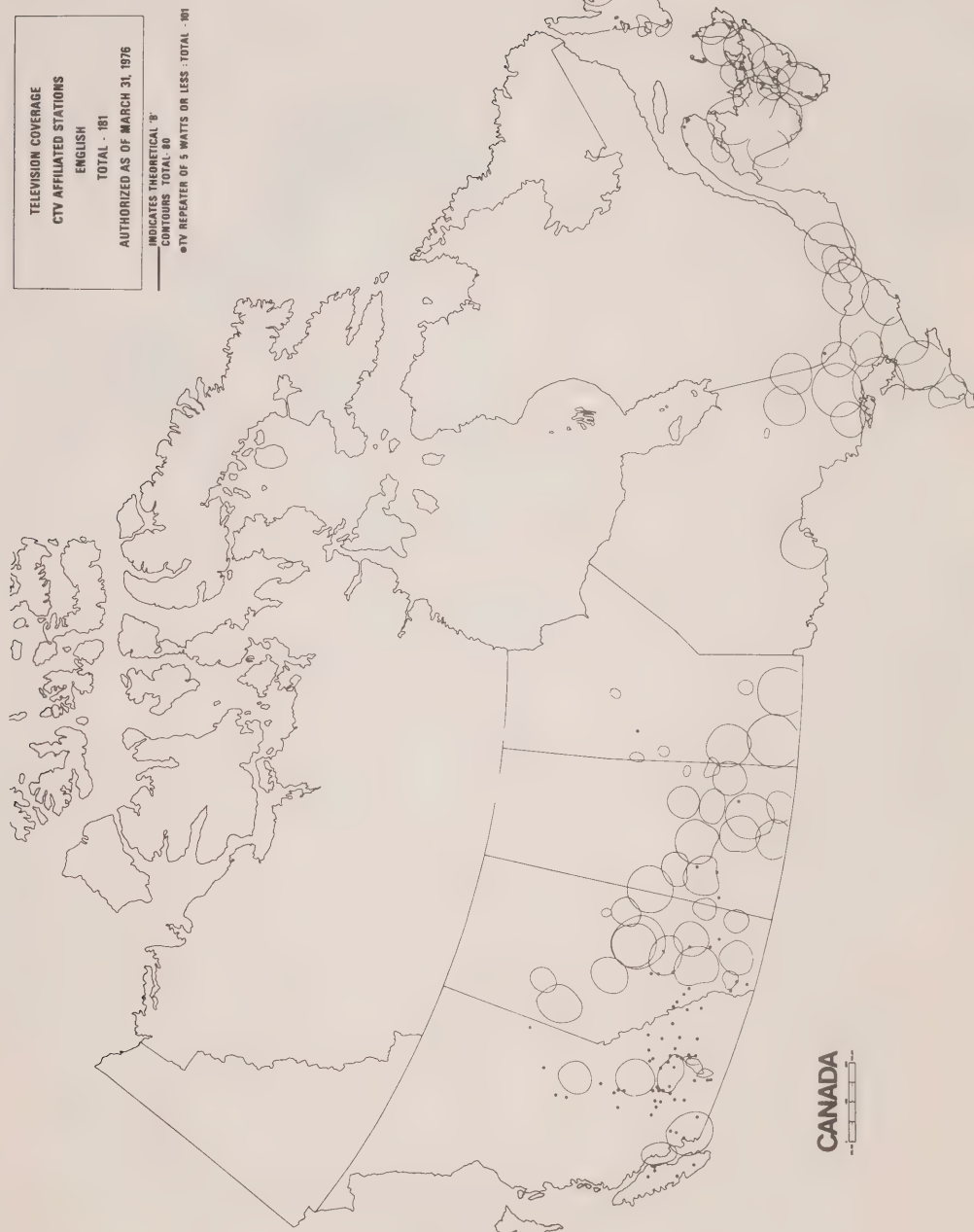


Chart N

CRTC Annual Report 1975-76

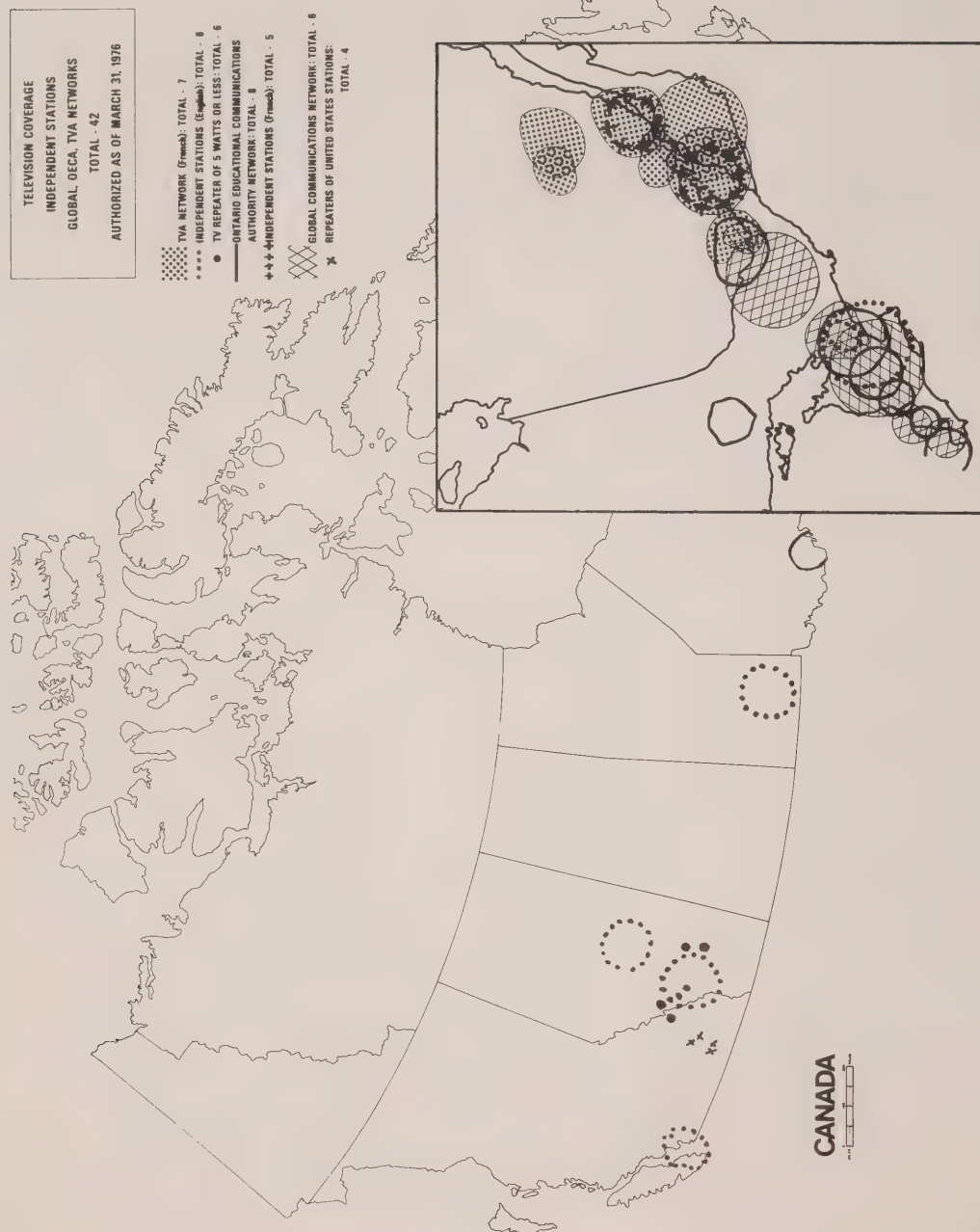
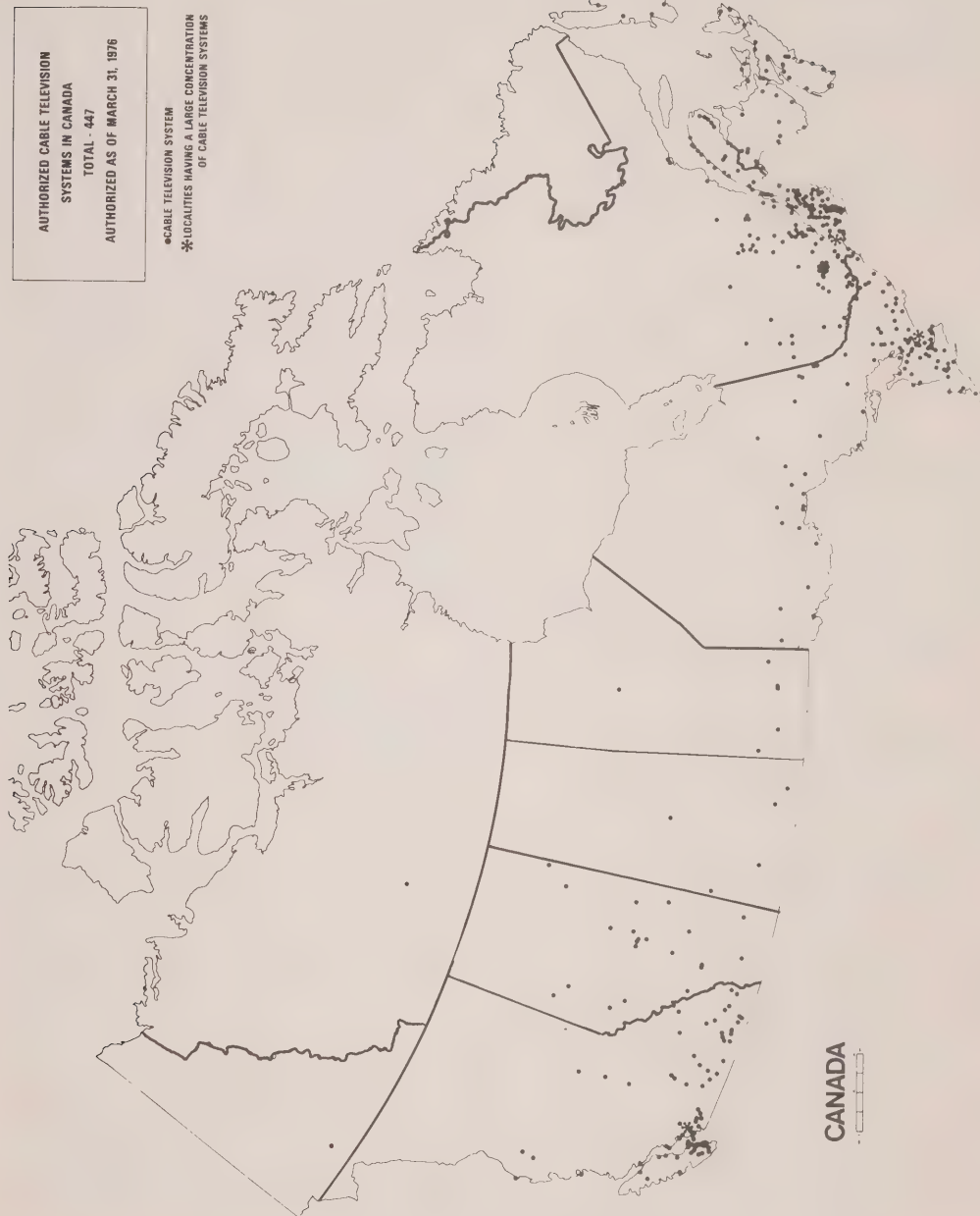


Chart O

CRTC Annual Report 1975-76



Appendix B

Copy of proposed agreement between Government of Canada and the Province of Manitoba (tabled in House, November 1976).

This Agreement Made in Duplicate This Day of, 1976.

Between

Her Majesty The Queen, in right of **Canada**, represented by the Minister of Communications (hereinafter referred to as Canada)

And

Her Majesty The Queen, in right of **Manitoba** represented by the Minister of Consumer, Corporate and Internal Services (hereinafter referred to as the Province)

Preamble

Whereas Canada has responsibility for regulating and supervising all aspects of the Canadian broadcasting system;

And Whereas the Province has responsibility for regulating and supervising common carrier services provided through its agency, the Manitoba Telephone System, or other agencies of a similar character subject to the regulatory and supervisory authority of the Province (any such agency hereinafter referred to as the Agency);

And Whereas the Canadian broadcasting system comprises a single system which includes broadcasting receiving undertakings that make use of the facilities and apparatus owned or under the control of the Agency;

And Whereas facilities and apparatus owned or under the control of the Agency that are or may be used by the Agency to provide common carrier services may also be used by broadcasting receiving undertakings in Manitoba;

And Whereas it is desirable that Canada and the Province commonly agree as to the rights and obligations of broadcasting receiving undertakings and the Agency respecting their joint use of facilities and apparatus owned or under the control of the Agency for the purposes of each providing their separate services to the public in Manitoba;

And Whereas it is agreed that this Agreement is made without prejudice to the position of the parties as to their respective responsibilities at any time after the termination of this Agreement;

Now Therefore Canada and the Province mutually agree and undertake that:

Article I – Interpretation

For purposes of this agreement

“*authorized*” means licensed or otherwise authorized by Canada;

“*Canada*” includes any agency designated by Canada to exercise authority on its behalf;

“*distribution*” includes transmission and/or carriage;

“*facilities and apparatus of the Agency*” means facilities and/or apparatus owned or under the control of the Agency,

“*programming service*” or “*programming*” means audio and/or visual matter, or the provision thereof, where such matter is directed to the public by means of telecommunication facilities and where such matter is designed to inform, enlighten or entertain, or is similar in nature, character or substance to matter normally provided by television or radio broadcasting and may reasonably be expected to have an impact on the achievement of the objectives of the Canadian broadcasting system. For greater clarity and without limiting the generality of the foregoing, programming services include broadcast programming, pay television programming, local or community programming, but do not include point-to-point services, teleconferencing, or teleshopping services;

“*signal modification*” means quality improvement or waveform modification prior to distribution over or by means of the facilities and apparatus of the Agency, or any change in the information content, of the signal.

Article II – Programming Services

The regulations and supervision of programming services, including programming services distribution in Manitoba over or by means of facilities or apparatus of the Agency, are exclusive responsibilities of Canada.

Article III – Other Services

The regulation and supervision of telecommunication services, other than programming services, distributed in Manitoba by means of facilities and apparatus of the Agency are exclusive responsibilities of the Province.

Article IV – Radiocommunication

Notwithstanding the provisions of Article III, the orderly development and operation of radiocommunication in Canada remains the responsibility of Canada.

Article V – Cable-Carrier Hardware Arrangements

For the purpose of providing authorized programming services to the public, a broadcasting receiving undertaking may lease from the Agency all necessary facilities and apparatus excluding signal modifications and studio equipment, channel modulators and the antenna and headend of a broadcasting receiving undertaking,

the terms and conditions under which the Agency provides such facilities and apparatus being agreed between the Agency and the undertaking in accordance with applicable statutory provisions.

Article VI – Adjudication of Disputes

In the event of a dispute as to terms, conditions or rates affecting the use of facilities and apparatus of the Agency for the purpose of providing authorized programming services, the Province undertakes to take the necessary measures to ensure that such dispute will be adjudicated by its competent regulatory authority in order to ensure that such terms, conditions or rates are just, reasonable, and in the public interest.

Article VII – Technical Standards

The enactment and/or application of minimum technical standards in regard to facilities and apparatus used for the provision of programming services remains the responsibility of Canada.

Article VIII – Channel Capacity And Priority

The Province undertakes to take the necessary measures to ensure that the Agency will readily make available sufficient telecommunications capacity to permit the distribution of all authorized programming services which make use of the facilities and apparatus of the Agency, it being understood that distribution of programming services has priority over the distribution of other services with regard to the use of such facilities and apparatus.

Article IX – Extension Of Services

While the determination of the timing and conditions for the introduction of programming services into the various localities in Manitoba remains the responsibility of Canada, Canada and the Province undertake to cooperate with a view to ensuring the orderly provision of programming and other services in Manitoba which make common use of the facilities and apparatus of the Agency.

Article X – Exclusivity

The Province undertakes to take the necessary measures to ensure that the Agency will permit use of its facilities and apparatus for the distribution of programming services only by undertakings, entities, or individuals authorized by Canada.

Article XI – Review and Amendment

The provisions of this agreement shall be subject to joint review at the request of either party, and may be amended at any time by mutual agreement.

Article XII – Termination

This agreement may be terminated by either party upon one year's notice.

In Witness Whereof the parties hereto have signed the agreement.

For the Government of the Province of Manitoba

Minister of Consumer, Corporate and Internal Services

For the Government of Canada

Minister of Communications

Projet de refonte de la télévision canadienne

Stuart Griffiths
Consultant en communications

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Introduction

Comme l'indique son nom même, c'est sur la violence dans les moyens de communication de masse que porte l'enquête de la Commission royale. Or ce n'est pas là vraiment le sujet du présent rapport; celui-ci, entrepris à la demande de la Commission, s'intéresse à la structure des moyens de communication canadiens, à leurs insuffisances et aux problèmes qui rendent difficile, sinon impossible, aux Canadiens, d'influencer ou de contrôler le contenu des émissions qui leur sont proposées. Cette étude se propose de suggérer des solutions au problème que constitue un système de radiotélédiffusion façonné en dehors de tout contrôle national alors qu'il devrait être conçu par des Canadiens oeuvrant à l'intérieur de la structure politique, sociale et économique canadienne.

Nos aspirations à un système réellement canadien ne pourront être satisfaites tant que ce problème fondamental ne sera pas résolu. De tous les moyens de communication de masse dont disposent les canadiens la télévision est de par son omniprésence, de par sa capacité à nous influencer, à nous instruire, à nous distraire, à modeler nos attitudes et parfois notre comportement, le plus puissant et le plus influent. Les problèmes qui ont accompagné son expansion doivent être résolus si l'on veut qu'elle joue un rôle optimal dans le développement social et culturel du Canada, et en fait, dans son unité même.

Pendant trois décennies, de 1934 à 1960, aucun instrument n'a davantage contribué à unifier, distraire, informer et influencer le Canada que sa radio, et en particulier Radio-Canada. Son importance réelle n'avait aucun rapport avec sa taille et ses ressources. Pour la plupart des Canadiens, qu'ils soient francophones ou anglophones, la radio tenait lieu tout à la fois de cinéma national, de théâtre national, de quotidien national et de magazine national.

Certes, à cette époque, comme maintenant, les villes les plus importantes offraient d'autres ressources culturelles; mais ces dernières n'étaient pas facilement accessibles aux nombreux Canadiens ne vivant pas en milieu urbain. Sans pour autant être coupés de notre puissant voisin du sud, les Canadiens étaient alors moins condi-

tionnés et influencés par les Etats-Unis que nous ne le sommes actuellement.

C'était, pour le Canada, une période de maturation, une époque où le système de valeurs britannique laissait progressivement la place à l'affirmation de qualités plus personnelles et reflétant la diversité de nos origines. Les Canadiens prenaient conscience du fait qu'ils partagent le continent avec une nation dynamique et vigoureuse dont les ressemblances avec eux surpassaient de beaucoup les différences. De même que les structures politiques, juridiques et sociales des Etats-Unis et du Canada, la langue commune à la majorité des Nord-Américains leur vient d'un héritage britannique commun. Chez les Canadiens d'expression française, une barrière linguistique a protégé et encouragé le développement d'une culture différente. La proximité des Etats-Unis, voisin puissant, riche, souvent inconscient de son influence, et dix fois plus peuplé que le Canada, reste, aujourd'hui comme hier, un trait fondamental de la réalité canadienne.

Une génération de Canadiens enthousiastes fit son apparition pendant ces années-là. C'est surtout par l'intermédiaire de la radio que leur influence s'est étendue à l'ensemble du pays. Au cours de la seconde guerre mondiale, la radio canadienne joua un rôle considérable, par ses informations et par le lien qu'elle maintenait entre ceux qui étaient partis et ceux qui restaient.

La télévision apparaît en Grande-Bretagne pendant les années trente, mais n'est proposée au public qu'après la guerre. Presque immédiatement après la fin des hostilités, la télévision est lancée au Etats-Unis, où elle se développe rapidement. Dans un premier temps, seuls les Canadiens vivant près de la frontière, à portée des stations américaines peuvent recevoir les émissions de télévision, et il faut attendre 1952 pour que s'ouvre l'ère de la radiotélédiffusion du Canada.

La télévision procurait une illusion de la réalité qui surpassait de loin la radio.

Il était difficile, pour beaucoup, de faire la distinction entre l'image éphémère qu'elle en donne et la réalité. Il suffisait de voir pour croire, et c'est ce qui faisait de la télévision un support différent laissant moins de place à

l'imagination, et en même temps plus puissant que la radio. Que l'image apparaisse sur l'écran et elle devient réalité, ne serait-ce qu'à cet instant. La télévision va, dans les dix ans qui suivent la fin de la guerre, usurper à la radio le rôle unique qu'elle jouait jusqu'alors et la reléguer au rang des objets simplement utilitaires que sont l'électrophone, le téléphone et l'automobile.

Sortant de la crise économique et à la recherche d'une identité, les Canadiens émergent de la guerre différents de ce qu'ils étaient en y entrant. Leurs sacrifices et leurs expériences développent chez eux une confiance et une fierté qui stimulent une expansion rapide de la vie industrielle, économique et culturelle. Notre peuple a retiré de la guerre une meilleure connaissance du monde extérieur, et un intérêt plus grand pour lui. La télévision a américanisé les Canadiens.

Conditionnés par deux décennies de couverture télévisée des guerres menées par les Etats-Unis et de leurs conflits internes, les Canadiens ont dans une très large mesure vu dans ces images le reflet de notre propre réalité, et les ont ajoutées aux images de nos propres incidents violents, dûment reproduits par des caméras canadiennes douées d'ubiquité. Les Canadiens peuvent donc sembler deux fois bénis! Nous sommes influencés dans nos valeurs et notre mode de vie par les Etats-Unis; nous acceptons leur violence et nous l'ajoutons à celle qui nous est propre. En comparaison, le téléspectateur américain apparaît bien pauvre, lui qui n'a que la violence américaine à se mettre sous la dent, et entend si rarement parler de ce qui se passe chez son voisin du Nord.

Un téléspectateur de Toronto a plus de choix en matière de télévision que son homologue de New York, Chicago ou Los Angeles. Mais à la différence du téléspectateur américain dont la nourriture télévisée est presque à cent pour cent nationale, le Canadien voit des émissions étrangères dans une proportion écrasante. Les téléspectateurs canadiens qui ne sont pas aussi avantageusement situés que le sont ceux de Toronto se plaignent souvent d'être brimés et réclament un plus grand choix de programmes. Il est clair que tous les téléspectateurs canadiens désirent un réseau plus fourni, leur offrant plus que les deux, trois ou quatre choix dont ils disposent actuellement. La télévision par câble s'est implantée pour procurer ce choix, ne serait-ce qu'aux téléspectateurs des grandes villes où aujourd'hui plus de vingt canaux sont accessibles. Proportionnellement, le Canada a déjà plus de branchements sur câble qu'aucun autre pays au monde.

L'organisme fédéral chargé de la radiodiffusion, le Conseil de la radio-télévision canadienne exige des sociétés de câblodiffusion qu'elles fassent passer toutes les émissions canadiennes locales; les canaux restants peuvent alors être mis à la disposition de programmes américains. Ceux-ci proviennent de stations situées en dehors du Canada et qui ne sont ni réglementées, ni autorisées, ni contrôlées par des Canadiens. Elles entrent directement en compétition avec les

télédiffuseurs canadiens pour conquérir le public canadien. Toutes les chaînes américaines, à l'exception des stations PBS, sont financées par la publicité. Il en va de même pour la majorité des stations canadiennes; les stations éducatives de l'Ontario, ainsi que Radio-Canada font exception. Les stations TVO sont entièrement financées par la province, tandis que Radio-Canada retire vingt pour cent de ses ressources de la publicité et le reste des crédits votés par le Parlement. Comme les agences de publicité achètent en fonction du nombre de spectateurs, Radio-Canada elle-même est prise au piège des chiffres quand elle prétend justifier ses dépenses par sa cote d'écoute.

Ce sont des programmes produits par la télévision américaine qui composent l'essentiel du menu proposé aux téléspectateurs canadiens; peu importe alors que ces programmes soient captés directement par des spectateurs frontaliers ou par câble à partir de stations américaines, ou encore par l'intermédiaire de stations canadiennes qui les ont achetés aux chaînes américaines. A l'heure actuelle le contenu canadien de nombreux programmes de télévision par câble ne représente probablement pas plus de 20% de l'ensemble. En 1976, on a fait pression sur le gouvernement fédéral pour qu'il autorise la télévision payante, système qui entraînerait une concurrence encore plus âpre dans la conquête des téléspectateurs. En outre le contenu de ce genre de système serait en très grande majorité américain.

Voilà donc le système canadien tel qu'il existe en 1977. Et, en plus, ce système, si insatisfaisant et si imparfait qu'il soit, a peu de chances de toucher plus de 70% des foyers canadiens.

Ce que le Parlement du Canada décrivait en 1968, dans la loi sur la radiodiffusion sous le nom de système canadien de radiodiffusion devient peu à peu et régulièrement moins canadien du point de vue de la quantité, de la qualité, et de l'accessibilité. Il est de plus en plus difficile à distinguer du système conçu et réalisé aux Etats-Unis à l'intention des téléspectateurs américains, et il échappe toujours plus à tout contrôle canadien.

On peut penser que les Canadiens souhaitent un service de télévision authentiquement canadien comme celui que prévoit la Loi sur la radiodiffusion (voir tableau G). Toutefois, il y a peu d'espoir de voir ce souhait exaucé dans le cadre du système actuel, qui ne répond par ailleurs pas aux préoccupations contemporaines touchant la violence, l'identité et l'à-propos. Un système ne peut pas contrôler ce qu'il ne décide ni ne produit. Notre système ne répond plus aux besoins des Canadiens et il a peu de chances de le faire s'il continue sur sa lancée.

Le présent rapport se propose d'étudier ce que pourrait être un système canadien différent.

Le développement de la télévision au Canada

Il y a aujourd'hui, au Canada, 6,7 millions de foyers équipés d'un téléviseur. Le nombre des foyers ayant la télévision augmente au même rythme que la population. Nombreuses sont les maisons disposant de plusieurs téléviseurs permettant aux différents membres de la famille de suivre simultanément des programmes différents. Il y a 25 ans, on comptait 42,000 postes dans le pays, dans la région de Toronto et de Niagara pour la plupart. Ils étaient utilisés par des Canadiens pour regarder des programmes américains puisqu'il n'y avait pas, à l'époque, de chaîne de télévision canadienne.

La transmission télévisée fut introduite au Canada par Radio-Canada à l'automne de 1952. Dès le début, il y eut des émissions en anglais et en français. La télévision se développa rapidement le long des lignes radio de Radio-Canada avec un réseau bâti, pour les grandes villes, à partir, d'un combinaison de stations appartenant à Radio-Canada et exploitées par cette société et pour les zones moins peuplées, des stations à capitaux privés qui lui étaient affiliées. Dès 1955, à peu près 60% des Canadiens pouvaient regarder des programmes de télévision présentés par Radio-Canada, des stations privées et, pour ceux vivant dans leur champ d'émission, par les stations américaines situées de l'autre côté de la frontière. Bien que la juxtaposition de programmes canadiens et américains ait toujours été une des caractéristiques de la télévision canadienne, au début des années 1950 la proportion des programmes produits par le Canada était, comme par une ironie du sort, supérieure à ce qu'elle est aujourd'hui.

Ces premières années ont d'ailleurs été qualifiées d'"âge d'or" par Radio-Canada lors du 20^e anniversaire de sa télévision, en 1972, et ceci tout simplement parce qu'à l'époque les Canadiens voyaient plus d'émissions canadiennes qu'aujourd'hui. Les réalisateurs, metteurs en scène et artistes canadiens se sont multipliés rapidement et font maintenant partie de l'élite mondiale dans leurs domaines respectifs. Mais bientôt, les possibilités et les budgets canadiens ne pouvant plus suffire à satisfaire leurs aspirations, une bonne partie (souvent la plus talentueuse) de la première génération des créateurs de la télévision anglophone prit le chemin de l'émigration. Les années passant, beaucoup d'autres les

ont suivis. Peut-être est-ce là le destin du génie créatif canadien de langue anglaise qui évolue dans un monde où la concurrence est plus dure que celle qu'affrontent leurs non moins talentueux collègues de langue française.

Ceux qui quittèrent le Canada furent remplacés par des créateurs plus âgés, moins talentueux ou plus jeunes et moins expérimentés. Depuis ce temps-là, le schéma "formation, frustration et choix entre partir et rester" s'est en grande partie perpétué. Ce sont souvent des vétérans, plus vieux et moins créatifs qui ont accédé aux postes de direction de Radio-Canada. Les créateurs les plus jeunes et les plus entreprenants travaillaient à la pige et n'avaient avec Radio-Canada, leur principal employeur pendant les années 1950, que des relations contractuelles. Les réseaux canadiens, ne pouvant rivaliser avec les réseaux américains au plan du budget et de la programmation, utilisaient des émissions américaines pour attirer le public vers les programmes canadiens qui devaient les accompagner ou les suivre. Les responsables fédéraux, à savoir la Commission des Gouverneurs de la radiodiffusion puis son successeur, le CRTC, augmentèrent progressivement la proportion des productions canadiennes imposées à toutes les stations canadiennes. Les responsables se rendaient bien compte que, si la qualité de la production était un élément important dans le choix que faisait le spectateur, il fallait aussi admettre certaines limites pratiques. En même temps, ils devaient maintenir sur les deuxièmes stations et le deuxième réseau une pression suffisante pour qu'ils étendent leurs émissions à des régions de moins en moins rentables mais dont les habitants aspiraient néanmoins à un plus grand choix d'émissions. Elle s'est rapidement développée à partir de la fin des années soixante. Ces efforts augmentèrent l'audience des stations canadiennes et, à en juger par leur popularité, celle des émissions canadiennes.

La télévision en couleur, qui avait débuté plus tôt aux États-Unis fit son apparition au Canada au milieu des années soixante. Pour justifier le prix qu'ils avaient payé pour leurs récepteurs, les acquéreurs des premiers postes réclamèrent une programmation plus importante d'émissions en couleur. Les utilisateurs de télévisions en

couleur des grandes villes s'aperçurent alors que, si la télévision noir et blanc avait une bonne réception, il n'en allait pas de même pour la télévision en couleur. Avec l'accroissement de la population urbaine au Canada, l'augmentation du nombre des programmes populaires de qualité étaient souvent le fruit de ce genre de collaboration. Les personnes sérieusement intéressées par la création télévisée ne trouvaient pas d'autre employeur au Canada. Il n'est pas surprenant dans ces conditions que le personnel de Radio-Canada se soit rapidement étoffé.

Vers la fin des années 50 la pression du public imposait la création de "deuxièmes" stations destinées à donner le choix entre deux programmes à ceux des canadiens qui ne pouvaient recevoir qu'une seule chaîne. La pression vint aussi des agents de publicité qui voulaient plus de choix de concurrence dans la publicité télévisée. En 1961, la Commission des gouverneurs de la radiodiffusion, organisme fédéral chargé à l'époque des questions de télévision, autorisa le premier groupe de deuxièmes stations à Toronto, Montréal, Ottawa, Winnipeg et Vancouver. C'est ainsi que naquit le réseau commercial CTV dont le nombre d'affiliés s'accrut rapidement. A peu près au même moment la câblodiffusion faisait des débuts presque inaperçus. Cette initiative privée se proposait d'amener la télévision dans les endroits que les émissions ne pouvaient atteindre et d'offrir aux régions urbaines ne recevant que Radio-Canada un choix de programmes, ce "choix" étant d'ailleurs le plus souvent américain.

La création du second réseau augmenta le nombre des heures d'émission de la télévision canadienne. Le second réseau put progressivement mettre au point des programmes qui, sinon par leur budget, du moins par leur popularité, rivalisaient favorablement avec ceux produits par Radio-Canada. Les réseaux canadiens, ne pouvant rivaliser avec les réseaux américains au plan du budget et de la programmation, utilisaient des émissions américaines pour attirer le public vers les programmes canadiens qui devaient les accompagner ou les suivre. Les responsables fédéraux, à savoir la Commission des Gouverneurs de la radiodiffusion puis son successeur, le CRTC, augmentèrent progressivement la proportion des productions canadiennes imposées à toutes les stations canadiennes. Les responsables se rendaient bien compte que, si la qualité de la production était un élément important dans le choix que faisait le spectateur, il fallait aussi admettre certaines limites pratiques. En même temps, ils devaient maintenir sur les deuxièmes stations et le deuxième réseau une pression suffisante pour qu'ils étendent leurs émissions à des régions de moins en moins rentables mais dont les habitants aspiraient néanmoins à un plus grand choix d'émissions. Elle s'est rapidement développée à partir de la fin des années soixante. Ces efforts augmentèrent l'audience des stations canadiennes et, à en juger par leur popularité, celle des émissions canadiennes.

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La câblodiffusion apparut alors comme la solution pour les villes en ce qu'elle offrait à la fois un plus grand choix d'émissions et une réception techniquement meilleure. Elle s'est développée rapidement depuis la fin des années 60 et est devenue, dans de nombreuses villes le principal intermédiaire pour la réception des émissions. La télévision par câble est plus utilisée au Canada que dans n'importe quel autre pays du monde.

La télévision par câble et ses conséquences ont transformé la nature de la télévision canadienne en la faisant passer d'un système à choix restreint à un système à choix multiple. Et cela s'est passé avec l'appui enthousiaste et manifeste des téléspectateurs canadiens.

Les difficultés du système actuel

La câblodiffusion

Le législateur canadien a témoigné d'une grande incertitude face au phénomène de la câblodiffusion. La CCR et le CRTC l'ont ignorée puis lentement reconnue, puis définie, puis ils ont tenté de lui imposer des restrictions, avant de finir par l'accepter sous la formidable pression de l'opinion publique. L'histoire de la câblodiffusion au Canada témoigne surtout de l'esprit pionnier de ses promoteurs et du triomphe de la volonté populaire en démocratie car les actes et l'influence du législateur ont souvent été rétrogrades. L'ancien ministère des Transports et la Commission des gouverneurs de la radiodiffusion seront peut-être pardonnés car, à l'époque où ils avaient la responsabilité de la radiodiffusion, la câblodiffusion en était encore qu'à ses débuts. Aux environs des années 1960 on pouvait percevoir ses possibilités futures; en 1967, son rôle était techniquement sinon légalement clair. Pourtant l'actuelle Loi sur la radiodiffusion, votée en 1968, ne s'intéresse que succinctement au rôle de la télévision par câble dans les télécommunications canadiennes.

La diffusion, englobant la radio et la télévision, a toujours été considérée comme étant du domaine du fédéral, et cette opinion a été confirmée par les tribunaux. Même les entreprises provinciales de diffusion doivent être autorisées par le législateur fédéral, en l'occurrence par l'intermédiaire du CRTC. Les sociétés de télévision par câble étant autorisées à retransmettre des émissions, leurs activités sont régies par la loi sur la radiodiffusion (voir tableau 6).

Mais est-ce que l'émission pour transmission par câble fait vraiment partie de la radiotélédiffusion? Ou pourrait soutenir que les programmes qui ne sont pas transmis par voie hertzienne ne sont pas de la radiodiffusion au sens de la loi sur la radiodiffusion. La définition de la radiodiffusion donnée par la loi gêne les perfectionnements inévitables de la qualité technique des films de télévision et, à moins qu'elle ne soit modifiée, elle ne peut qu'accroître les pressions tendant à faire rentrer la radiotélédiffusion dans le domaine juridique des provinces.

La qualité technique des programmes transportés par les sociétés de câblodiffusion serait considérablement

améliorée si elles étaient directement reliées aux stations de télévision qu'elles relaient. A l'heure actuelle le programme doit d'abord être transmis et reçu avant d'être relayé aux abonnés du câble. Si tous les téléspectateurs d'une station au Canada étaient abonnés, resterait-il une raison valable d'envoyer les programmes par voie hertzienne? Les émetteurs font alors double emploi avec les câblodiffuseurs sans accroître le public de la station. Ils ne représentent plus qu'un moyen supplémentaire de distribution.

La question de savoir si tous les programmes transportés par une société de câblodiffusion tombe dans le domaine des compétences fédérales n'est pas résolue avec clarté par la Loi sur la radiodiffusion. La juridiction dont relèvent des programmes réalisés par les sociétés de câblodiffusion elles-mêmes, ou ceux relayés par micro-ondes (les événements sportifs majeurs, les films etc...) doit être clairement désignée. La position du CRTC est que tous les programmes de ce type tombent sous sa juridiction, mais la juridiction fédérale sur le transport des programmes en circuit fermé est discutée par un certain nombre de provinces et d'exploitants.

Les attermoissements et les craintes fédérales sont indubitablement responsables de l'indécence et inhabituel empressement avec lequel le ministre fédéral des Communications a manifesté son désir de voir la télévision payante introduite au Canada. Il ne semble pas, ce faisant, se préoccuper beaucoup de la bonne marche de la télédiffusion ni de la volonté populaire. Il paraît plutôt motivé par la peur de voir, à moins d'une intervention rapide du gouvernement fédéral, la télévision payante s'implanter sans autorisation fédérale et atteindre très rapidement un développement qui rendrait toute réglementation future difficile, voire impossible. L'Ontario a déjà autorisé une telle entreprise à Toronto mais, au moment où nous écrivons ce rapport, cette décision n'avait pas encore fait l'objet d'une décision judiciaire.

Pour ces raisons il apparaît urgent pour la télédiffusion canadienne qu'une réponse soit donnée à la question: "Dans quels cas la câblodiffusion ne relève-t-elle pas de la 'radiotélédiffusion'?" Cette clarification

est importante non seulement pour la télévision par câble, mais aussi pour la télévision en général.

Le système de radiotélédiffusion

Les problèmes du système de la radiotélédiffusion canadienne peuvent être envisagés d'un point de vue différent selon qu'ils intéressent le téléspectateur, la radiodiffuseur, la câblodiffuseur ou le législateur.

1. Le téléspectateur

La qualité et la quantité des services offerts par la télévision à ses spectateurs varient beaucoup selon les régions du Canada. Les services offerts aux habitants des zones les plus reculées du pays sont nettement insuffisants malgré les efforts entrepris, notamment les envois d'enregistrements magnétoscopiques ou les stations-relais de faible puissance. Ces régions éloignées continueront à être insuffisamment desservies tant que leur population ne se sera pas considérablement accrue ou que la réception directe par satellite ne sera pas possible, ce qui est peu probable avant une dizaine d'années. Bien que le nombre des Canadiens vivant dans ces régions soit peu élevé, leur profond isolement et le manque d'activités intellectuelles et de distractions offertes devraient leur donner droit à une priorité absolue dans l'extension du service.

Les habitants continuant leur immigration vers les villes, on enregistre une réduction régulière de la population rurale du Canada. Il est probable que d'ici dix ans, moins de cinq pour cent des Canadiens seront des ruraux ce qui signifie qu'il n'y aura plus qu'environ 325,000 postes de télévision à la campagne. Actuellement, ces spectateurs reçoivent ce qu'ils peuvent capter de la transmission directe, en général au moins une station ou un relais de Radio-Canada et un de CTV. Leur cas sert avantageusement la cause d'une amélioration qualitative et quantitative de la télévision, puisqu'après les régions éloignées, ce sont les zones rurales qui ont le moins d'activités sociales. Si on considère la télévision comme un service à la disposition du téléspectateur, c'est le facteur besoin qui dicte ces priorités.

Les deux tiers des autres foyers recevant la télévision, ceux de nos villes et des zones urbaines, sont situés dans des zones où ils peuvent ou pourront très bientôt souscrire à un système par câble et accroître ainsi le choix de leurs programmes (voir tableau 11). Il reste malgré tout plus de deux millions de foyers dans des endroits qui jusqu'à présent n'ont pas présenté un attrait commercial suffisant pour se voir offrir la câblodiffusion.

L'exploitation du marché a abouti à fournir aux grandes villes déjà les plus riches en activités les meilleurs choix en matière de télévision. Les régions du Canada où l'accroissement de la télévision serait socialement juste, celles aux besoins les plus pressants, sont les moins bien desservies. La situation des téléspectateurs francophones au Canada anglophones est analogue. Les téléspectateurs au Canada anglais et les

téléspectateurs anglophones au Canada français (mis à part Montréal) n'ont comme les habitants des campagnes accès qu'à un ou deux canaux.

La télévision à choix multiple est accessible à un nombre croissant de Canadiens non en raison de leurs besoins réels mais en fonction des bénéfices qu'en tirent les maisons de diffusion. L'élargissement de ce choix se confond avec l'extension de la câblodiffusion. Le câble a permis aux télévisions américaines de nous envahir et ce, au détriment de notre identité canadienne. Tous les boutons de l'adaptateur sont semblables et anonymes. Nous sommes loin de l'"âge d'or".

2. Le radiodiffuseur

Le radiotélédiffuseur avait en 1950 beaucoup plus d'espoir d'élargir son public qu'aujourd'hui. Bien qu'à l'époque son public fût plus restreint, des auditeurs de radio de plus en plus nombreux achetaient un téléviseur et rejoignaient le rang de téléspectateurs ce qui lui ouvrait des perspectives de développement considérables. Dans bien des régions d'ailleurs, il était le seul producteur de télévision et recueillait donc cent pour cent du public. Il est vrai que le radiotélédiffuseur situé près de la frontière devait entrer en concurrence avec les stations américaines; mais il avait alors des avantages compensatoires tels que la transmission de programmes américains bien souvent avant leur programmation américaine; il pouvait également offrir à ses téléspectateurs canadiens des informations et un point de vue strictement canadien. Même l'introduction des secondes stations canadiennes dans les années 1960 ne devait pas menacer sérieusement le public de Radio-Canada et ce, parce que l'auditoire s'accroissait rapidement. Simple-ment, les gens regardaient plus souvent la télévision. Les revenus s'accrurent, la qualité des programmes canadiens aussi, et les stations canadiennes s'attachèrent progressivement la plus grosse partie du public canadien, tout en diffusant un grand nombre d'émissions américaines.

Les radiotélédiffuseurs n'attendent pas que la couleur soit rentable pour adapter leur matériel de télédiffusion. En peu de temps cependant, leur public commença à baisser en proportion avec l'entrée en scène des nouvelles sociétés de câblodiffusion, qui assuraient aux téléspectateurs urbains une meilleure réception de la couleur. Elles introduisirent également des signaux compétitifs qui n'étaient pas disponibles jusque-là. Dans un premier temps, une partie du public s'orientait vers le câble et les choix qu'il offrait. Puis les recettes des télédiffuseurs diminuèrent avec leur public; ils perdirent encore du terrain quand les stations américaines frontalières, amenées sur le marché par câble, commencèrent à les concurrencer non seulement vis-à-vis du public, mais aussi pour ce qui est du marché de la publicité canadienne, essentiel au financement des émissions. La situation était particulièrement mauvaise pour les télédiffuseurs privés. Radio-Canada pouvait compter sur l'augmentation des crédits parlementaires,

lui permettant de combler les manques à gagner publicitaires, d'éponger l'augmentation des coûts des émissions et de faire concurrence aux chaînes américaines. Mais les télédiffuseurs privés souffraient à la fois de leur dépendance à l'égard des recettes commerciales et des pressions exercées par le CRTC pour les amener à étendre leur diffusion à un nombre toujours plus grand de Canadiens; ce qui augmentait évidemment leurs coûts d'exploitation sans leur garantir pour autant des revenus permettant de les couvrir. Ces différents facteurs amenèrent les propriétaires des stations privées à économiser en réduisant leurs services locaux et à acquérir plus de programmes en coopération avec d'autres stations. Ces développements ont abouti à de grosses pertes pour les acteurs et les artistes canadiens.

Le CRTC a essayé de limiter le nombre des stations utilisant le câble en interdisant l'importation des signaux par micro-ondes si ce n'est dans les zones où même une antenne commune ne suffirait pas à une bonne réception. Le public, cependant, demandait à choisir; le CRTC ne put résister à ses pressions et fut obligé de se rendre. Pour financer leurs émissions, certains télédiffuseurs sollicitèrent l'autorisation d'utiliser la câblodiffusion. Le CRTC s'y opposa pour des motifs assez obscurs.

Alarmé par l'augmentation massive des émissions non canadiennes importées au Canada par câble, le CRTC autorisa la création d'une troisième chaîne canadienne (Global) qui promettait beaucoup mais fit faillite en moins d'un an. Ce nouveau réseau aggrava la situation des stations canadiennes en fragmentant plus encore l'auditoire. Bien plus encore, la concurrence d'un nouveau réseau augmenta le coût des émissions pour tous les télédiffuseurs canadiens. Ceci aboutit à une réduction des dépenses dans les marchés les moins importants du Canada. Ironiquement la faillite de Global fit reculer la production indépendante au Canada et élimina un bon nombre de petits producteurs.

Les propriétaires actuels de Global se débattent toujours avec des programmes qui rappellent au CRTC son manque de prévoyance et de compréhension. Le CRTC fut probablement soulagé quand avorta un réseau semblable autorisé au Canada français. Quand celui qui avait reçu le permis essaya de le transférer à un autre télédiffuseur francophone, on lui en refusa l'autorisation. En ce moment, les télédiffuseurs canadiens examinent la possibilité d'autoriser la télévision payante au même titre que tout autre réseau. Elle se lancerait, elle aussi, dans la lutte pour la conquête du public, lequel en souscrivant en masse aux réseaux de câblodiffusion approuve manifestement cette multiplication des choix qui lui sont offerts.

3. Le câblodiffuseur

Le câblodiffuseur des débuts insistait sur le fait que son rôle se limitait à fournir aux téléspectateurs une antenne plus élaborée; cette antenne permettait au poste de

télévision de capter plus de signaux émis de plus loin. L'abonné ne faisant que payer l'emploi du câble du diffuseur. Ce dernier se refusait à toute association avec les télédiffuseurs et insistait pour rester en dehors de la production et des responsabilités qu'elle entraîne. Il n'accepta que lentement et sans enthousiasme l'idée d'être assujéti à un permis et, non sans cynisme, en vint même à accepter de produire des programmes locaux comme prix de la poursuite de ses activités. C'est l'un des rares types d'entreprises qui ne doivent pas être propriétaires de ce qu'elles vendent. Bien que le câblodiffuseur vende les programmes produits par les télédiffuseurs, lui et ses associés ont traditionnellement refusé une responsabilité financière quelconque dans la télévision classique canadienne. Il aimerait accroître le nombre des programmes qu'il vend à ses abonnés en ajoutant la télévision payante à ses autres canaux; pour l'obtenir, il est prêt à payer les films qu'il présenterait à la télévision payante et même à faire bénéficier la télédiffusion classique de ses gains selon des modalités que le CRTC définirait. Bien qu'il ait considérablement élargi le menu offert aux téléspectateurs au Canada, il ne se reconnaît aucun rôle créateur; il n'est qu'un conduit, un livreur lié par contrat à ses clients, quelque 42 pour cent des foyers canadiens ayant la télévision.

4. Le législateur

Afin de pouvoir ajouter les télécommunications à la radio et à la télévision, le CRTC a récemment vu sa compétence élargie. En rapprochant les trois domaines et en les opposant souvent les uns aux autres la technologie rendait cette adjonction nécessaire.

Au Canada, la radio se compose actuellement de deux réseaux publics entièrement subventionnés, ceux de Radio-Canada AM et FM, qui ne font ni l'un l'autre aucune publicité, ainsi que tout un secteur privé parallèle. Les stations privées s'affrontent entre elles pour les recettes et se disputent avec Radio-Canada les faveurs du public.

La télévision, quant à elle, présente des caractéristiques plus complexes. Les réseaux anglais et français de Radio-Canada sont financés par l'Etat à 80 pour cent mais dépendent autant pour leur distribution au niveau national de réseaux de télévision privés et des câblodiffuseurs que des transmetteurs qu'ils possèdent et exploitent eux-mêmes dans quelques grandes villes. Le réseau CTV, émettant en anglais seulement, est privé et financé par la publicité. Bien qu'il soit compétitif dans presque tout le pays, il manque de capitaux pour étendre son service.

Le réseau Global fonctionne dans le Sud de l'Ontario. Des "troisièmes" stations ont récemment été autorisées à Winnipeg, Edmonton et Vancouver et la région de Toronto; Hamilton compte deux stations indépendantes. Le gouvernement de l'Ontario exploite des stations UHF à Toronto, London et Ottawa et envisage d'étendre ses réseaux éducatifs TVO à d'autres parties de la province.

Au Québec, TVA propose des programmes en français qui obtiennent un succès certain mais manque de ressources pour faire sérieusement concurrence aux réseaux français de Radio-Canada. Ses programmes sont retransmis par plusieurs "deuxièmes" stations. Le gouvernement du Québec produit un programme éducatif en français relayé par micro-ondes à des réseaux de câblodiffusion. Il n'y a pas ici de troisième station comme dans le Canada anglais.

Le CRTC a fixé deux buts principaux à la télédiffusion canadienne: atteindre autant de Canadiens que possible et accroître la part des émissions canadiennes dans les programmes. Pour s'être trop concentré sur ces buts, il ne s'est pas aperçu avant la fin des années soixante des conséquences du développement rapide des réseaux de câblodiffusion, car le câble n'augmentait de façon appréciable ni l'étendue des régions couvertes ni le contenu canadien des émissions. L'importation d'un grand nombre de stations non-canadiennes dans des zones où elles n'étaient pas autorisées auparavant représente une menace pour les stations canadiennes privées. Mais quand le CRTC s'en est rendu compte, il était trop tard pour changer quoi que ce soit. Le public voulait les choix supplémentaires qu'offrait le câble et ne manifestait pas un intérêt particulier pour la question du caractère canadien du contenu ou les problèmes financiers de la télédiffusion canadienne.

Le CRTC essaya bien par la suite de protéger les stations privées canadiennes en limitant le nombre des signaux longue distance que les sociétés de câblodiffusion étaient autorisées à transmettre, mais c'était donner un coup d'épée dans l'eau. Dans une tentative désespérée pour obtenir quelque chose pour le téléspectateur et pour les créateurs, il obligea les sociétés de câblodiffusion à produire sur place. Cependant, rares sont les câblodiffuseurs ayant une expérience de l'émission de télévision ou un désir quelconque de devenir réalisateurs. Ils préféreraient acheter et projeter de vieux films. De toute façon, il ne semble pas que leurs efforts de création locale aient été très populaires.

Le CRTC a refusé, comme le suggérait un certain nombre de sociétés de télévision, de leur permettre de posséder à la fois une télévision à diffusion classique et une société de câblodiffusion. Leur idée était d'utiliser les recettes du câble pour remplacer les profits publicitaires perdus par l'éparpillement du public dû au câble et d'utiliser ces ressources pour garantir des emprunts. On peut, a posteriori, dire que cette décision du CRTC fut une erreur fatale. Aujourd'hui, avec sept ans de retard, le ministre fédéral des Communications propose la même solution pour tenter d'arrêter l'érosion de la télévision canadienne. Mais il est, selon toute probabilité, trop tard. Si le CRTC avait permis la double possession en 1970-1972, à une époque où il rapatriait les avoirs des sociétés de câblodiffusion appartenant à des étrangers, les sociétés de télédiffusion auraient pu financièrement l'envisager. Aujourd'hui, les liens unissant les sociétés de télédiffusion et les sociétés de

télédiffusion et les sociétés de câblodiffusion seraient devenus logiquement et naturellement indissociables. Bien des problèmes ultérieurs auraient été épargnés au CRTC. Il est probable que les avoirs en cause dépassent de nos jours les capacités financières des sociétés canadiennes de télédiffusion. En l'absence de cette interdépendance câble/télédiffusion, les gouvernements provinciaux se sentent libres d'accroître leur prétention à réglementer les opérations de câblodiffusion, et la querelle des compétences reste sans solution.

Poussant plus loin son désir de protéger le contenu canadien du système de télédiffusion, le CRTC commença en 1975 à exiger l'abandon et le remplacement des publicités que les stations américaines diffusaient par câble au Canada; ce qui suscita la colère des stations frontalières américaines qui, on le comprend, ne sont pas désireuses de perdre les recettes que leur vaut leur public canadien. Le Secrétaire d'Etat américain a récemment protesté auprès du ministre Canadien des Affaires Extérieures, qui a d'ailleurs lui-même eu des intérêts dans la télévision, et qui aurait répondu: "Quelque chose sera fait". Au moment où nous écrivons, le CRTC a "momentanément suspendu" l'exigence de l'abandon de la publicité.

Le problème auquel se heurte le CRTC est que les Canadiens s'abonnent à un système de télévision qui offre un choix varié mais pas national. Le contenu canadien et l'authenticité du service se réduisent à mesure qu'il autorise un nombre croissant de stations de télévision canadiennes privés qui s'appuient sur les recettes que leur fournit la publicité. La concurrence des émissions américaines importées par câble réduit encore les recettes.

Radio-Canada peut, bien sûr, demander une augmentation des crédits au Parlement, mais cela l'entraîne progressivement vers un système de télédiffusion entièrement financé par le gouvernement avec ce que cela comporte de problèmes particuliers, au niveau de sa crédibilité, de son contrôle, de sa liberté d'expression, problèmes dans lesquels se débattent encore de nombreux systèmes nationalisés, ceux de la France et de l'Italie notamment.

Le danger actuel le plus manifeste est de voir le développement rapide du système canadien de câblodiffusion à vaste choix avec sa dépendance envers des stations étrangères étouffer progressivement la télévision canadienne du secteur privé et même peut-être "enterrer" Radio-Canada.

Les difficultés de la Production télévisée canadienne

Le plus gros problème de la production télévisée canadienne est, bien sûr, financier.

La créativité dans les centres de production n'est pas moins essentielle. Radio-Canada a toujours été le principal réalisateur en télévision au Canada, même si dans l'ensemble il n'a pas fait autant, proportionnellement que les sociétés de télévision privées pour favoriser un climat créateur. Elle a peu fait pour supporter les artistes, les réalisateurs, les metteurs en scène de talent, étrangers à son propre personnel. Elle a au contraire fonctionné un peu comme une serre, contrôlant son ambiance interne sans se soucier de ce qui se passe au dehors.

Cette tradition de la radio de Radio-Canada a été adoptée très tôt par la télévision. D'où une augmentation rapide de son personnel de création. Alors que les budgets semblaient toujours comprimés, la télévision de Radio-Canada devenait autonome, moins efficace et moins compétitive que les créateurs et les groupes "de l'extérieur". Une part toujours plus grande de la réalisation des programmes, qualifiée de "coûts de production", passait en fait dans les coûts de fonctionnement interne.

Le pire était cependant que l'enveloppe destinée à encourager la production externe n'augmentait pas. Cela fut vrai pendant de nombreuses années pour la production cinématographique, jusqu'à ce que le cinéma, exploitant ses propres marchés, établisse son propre monde créateur local. La production électronique n'a, quant à elle, pas connu ce problème. A moins qu'on ne remédie à cette situation, une renaissance de la production canadienne de télévision est impossible. Les budgets, non le talent, sont en général tenus pour responsables de l'incapacité des programmes de télévision canadiens à conquérir les marchés étrangers comme l'ont fait les programmes commerciaux anglais et même australiens. Mais il y a de bonnes raisons de croire, qu'au Canada, les capacités à produire manquent autant que le talent. "Jalna", produit à grands frais par Radio-Canada, en est un exemple type.

Aux Etats-Unis, les trois réseaux de télévision les plus importants ont proportionnellement fait plus pour

alimenter la créativité employant un maximum de créateurs indépendants. Les réseaux américains ne produisent eux-mêmes que deux ou trois programmes (en dehors des informations); le reste provient de producteurs indépendants; il est intéressant de noter que cette situation est le résultat des directives données par la Commission fédérale américaine pour les communications.

L'injection de capitaux supplémentaires dans la programmation ne suffirait pas à rendre les productions canadiennes de télévision compétitives avec les programmes américains. Par contre, si les crédits actuellement disponibles étaient dépensés sur un marché libre plutôt qu'à l'intérieur de Radio-Canada, la qualité des personnes disponibles s'améliorerait et leur nombre irait en s'accroissant. Cela entraînerait une diminution des dépenses internes de Radio-Canada en diminuant une partie du personnel technique, administratif, comptable et dirigeant (voir tableau J).

Les producteurs indépendants peuvent aussi bien faire à moindre prix. Radio-Canada serait alors dépendant de la création externe mais pourrait porter sur ses programmes des jugements impartiaux. La créativité s'épanouit dans la liberté et la concurrence, qualités qui font actuellement défaut à la télévision canadienne.

La société privée CTV a, avec des ressources nettement inférieures, accompli un travail bien meilleur que Radio-Canada en attirant, faute de pouvoir faire autrement, la coproduction externe. Mais CTV seule ne peut créer un climat favorable à la créativité. Cela ne peut se produire qu'à condition que le moyen normal d'élaborer les programmes de télévision soit la libre concurrence entre producteurs, metteurs en scène et scénaristes comme c'est le cas dans la plupart des grands centres de production du monde.

Il serait bon également de diminuer les efforts consacrés aux productions régionales à vocation nationale jusqu'à ce que les grands centres, Toronto, Montréal et peut-être Vancouver, aient créé le climat favorable et développé un corps de créateurs concurrents capables de relever les normes de la production actuelle de la télévision canadienne. Au stade où nous

en sommes, il vaudrait mieux limiter les programmes régionaux de diffusion nationale en augmentant leur qualité que de produire, comme cela se passe dans la plupart des régions, des imitations de programmes nationaux. Dix tournages de grands films dans une région vaudraient mieux qu'une centaine des programmes qu'on nous offre aujourd'hui. Les séries des télévisions américaines sont souvent tournées dans différentes régions du pays, mais les acteurs et le personnel de production viennent habituellement des grands centres. Chicago, Houston et la Nouvelle-Orléans ne sont pas les centres de production nationale américaine, alors pourquoi Halifax et Winnipeg seraient eux des centres nationaux?

S'il nous semble important de discuter climat et circonstances avant de parler d'argent, c'est simplement parce qu'augmenter les ressources de la télévision canadienne n'amènera pas plus de Canadiens à regarder les programmes réalisés au Canada. Au préalable, le climat dans lequel se fait la production doit changer. Mais il ne peut évoluer sans argent, beaucoup d'argent, au moins le double ou le triple des sommes dont dispose actuellement la production canadienne. Si la quantité et la qualité des programmes canadiens doivent augmenter, une telle augmentation budgétaire doit être accompagnée d'un plus grand souci d'efficacité. Une augmentation, de l'ordre du double ou du triple, des budgets des programmes, accompagnée d'un changement radical de la politique de l'emploi, améliorerait considérablement la télévision canadienne.

Chapitre cinq

Coût du présent système

Au Canada, la radio et la télévision, autrefois organisées selon des schémas semblables, sont aujourd'hui bien distinctes.

Le système de radiodiffusion existant se compose d'une part du réseau national Radio-Canada, puisant ses ressources de la publicité et des crédits parlementaires, et d'autre part de stations privées financées uniquement par la publicité. Récemment, Radio-Canada, dont on avait peu à peu limité les bénéfices publicitaires, a changé de politique et ne propose plus du tout de publicité.

Les revenus que les stations privées de radio tirent de la publicité seront d'environ \$213.6 millions en 1976, alors que ceux des stations de télévision atteindront \$305 millions (Source: MacLean Hunter Research Bureau). La radio de Radio-Canada recevra environ \$100 millions de crédits parlementaires. Le modèle semble être aujourd'hui bien défini avec d'une part un système entièrement financé par l'Etat et d'autre part un système exclusivement privé. Ils assurent ensemble les services locaux et nationaux; la part non canadienne du contenu des émissions de radio est relativement faible. Le système a l'air de fonctionner, encore que les avis soient partagés sur la nature du service des programmes de Radio-Canada.

La télédiffusion est aussi composée d'une branche à financement mixte public et privé (les réseaux anglais et français de Radio-Canada), des stations de télévision privées, et des câblodiffuseurs. Les recettes pour 1976 sont estimées comme suit:

	(en millions de dollars)
Crédits parlementaires (Radio-Canada)	316
Publicité	305
Câble	190
TOTAL:	911

De ce total, environ \$375 millions iront à la programmation de l'ensemble de la télévision canadienne. Le câble touche environ 42 pour cent (2,500,000) des foyers ayant la télévision.

En supposant qu'aucun changement de ses politiques de base n'affecte le système actuel, et que le dévelop-

pement économique du pays se poursuive au même rythme, la masse des recettes disponibles devrait s'établir comme suit:

1977	(en millions de dollars)
Crédits parlementaires <i>(taux de croissance moyen des 4 dernières années: 17.8%)</i>	372.3
Publicité (y compris Radio-Canada)	329.2
Câble <i>(Moyenne des 3 dernières années)</i>	210.6

TOTAL: 912.1

	(en millions de dollars)
Crédits à la programmation (60% des crédits parlementaires plus la publicité)	420.9
Pénétration du câble 2,900,000 foyers <i>(Moyenne des 3 dernières années du CRTC)</i>	(44.5%)

1978	
Crédits parlementaires	438.5
Publicité (y compris Radio-Canada)	355.2
Câble	265.4
TOTAL:	1,059.1

Crédits à la programmation	476.2
Pénétration du câble 3,400,000 foyers	(51.5%)

1979	
Crédits parlementaires	515.6
Publicité (y compris Radio-Canada)	383.1
Câble	330.5
TOTAL:	1,229.2

Crédits à la programmation	539.2
Pénétration du câble: 4,000,000 de foyers	(61%)

1980	(en millions de dollars)	1986	(en millions de dollars)
Crédits parlementaires	608.5	Crédits parlementaires	1,626.1
Publicité (y compris Radio-Canada)	412.5	Publicité (y compris Radio-Canada)	622.5
Câble	407.1	Câble	736.6
TOTAL:	1,428.1	TOTAL:	2,987.2
Crédits à la programmation	612.6	Crédits à la programmation	1,349.0
Pénétration du câble: 4,600,000 foyers	(68.66%)	Pénétration du câble: 5,200,000 foyers	(77%)
1981		1987	
Crédits parlementaires	716.6	Crédits parlementaires	1,915.5
Publicité (y compris Radio-Canada)	447.5	Publicité (y compris Radio-Canada)	657.5
Câble	491.7	Câble	730.8
TOTAL:	1,655.8	TOTAL:	3,353.6
Crédits à la programmation	698.4	Crédits à la programmation	1,543.6
Pénétration du câble: 5,200,000 foyers	(77%)	Pénétration du câble: 5,200,000 foyers	(77%)
1982		1988	
Crédits parlementaires	844.4	Crédits parlementaires	2,256.5
Publicité (y compris Radio-Canada)	447.5	Publicité (y compris Radio-Canada)	692.5
Câble	585.0	Câble	827.7
TOTAL:	1,876.9	TOTAL:	3,736.7
Crédits à la programmation	835.0	Crédits à la programmation	1,769.4
Pénétration du câble: 5,200,000 foyers	(77%)	Pénétration du câble: 5,200,000 foyers	(77%)
<i>N.B. Après 1981, on ne prend plus en compte l'expansion du câble mais on suppose une augmentation des frais d'abonnement de 6%.</i>		<p>Les problèmes du système actuel sont faciles à cerner mais difficiles à résoudre.</p> <ol style="list-style-type: none"> 1. A mesure que le choix augmente, la part canadienne dans les services proposés en anglais au téléspectateurs diminue. 2. Les programmes canadiens en anglais attirent moins de téléspectateurs canadiens que les programmes étrangers. 3. Le réseau n'offre ni le climat ni l'argent indispensables à l'amélioration des programmes canadiens. 4. Alors que le rôle de la télévision par câble se développe dans la structure des recettes du réseau canadien, aucune partie de ses revenus ne sert à financer et à améliorer les programmes qu'elle relaie. 5. Les revenus de la publicité, principal support de la télévision privée et représentant quelque 20 pour cent du budget de la télévision de la Société Radio-Canada, se réduisent vraisemblablement au fur et à mesure de la fragmentation du public. (Il n'a pas été tenu compte de cette détérioration dans les chiffres cités.) 6. Dans l'état actuel des choses, et faute de stimulant pour étendre le câble aux régions rurales, le réseau ne sera jamais accessible à tous les Canadiens. 7. L'autorité publique a séparé les partenaires naturels qu'étaient le câble et la radiodiffusion classique, créant dans le milieu un climat néfaste. 8. Le manque de cohésion entre les différentes composantes de la télédiffusion empêche le développement normal de la technologie en ce domaine. 9. Le coût d'un réseau de télévision, même insatisfaisant, continuera à croître et l'entraînera de plus en plus 	
1983	(en millions de dollars)		
Crédits parlementaires	994.7		
Publicité (y compris Radio-Canada)	517.5		
Câble	620.2		
TOTAL:	2,132.3		
Crédits à la programmation	907.3		
Pénétration du câble: 5,200,000 foyers	(77%)		
1984			
Crédits parlementaires	1,171.8		
Publicité (y compris Radio-Canada)	552.5		
Câble	657.4		
TOTAL:	2,381.7		
Crédits à la programmation	1,040.5		
Pénétration du câble: 5,200,000 foyers	(77%)		
1985	(en millions de dollars)		
Crédits parlementaires	1,380.4		
Publicité (y compris Radio-Canada)	587.5		
Câble	696.8		
TOTAL:	2,664.7		
Crédits à la programmation	1,180.7		
Pénétration du câble: 5,200,000 foyers	(77%)		

vers un système où l'Etat sera le seul financier.

Dans les cinq prochaines années, les crédits parlementaires pour la télévision (Radio-Canada) totaliseront à peu près \$2.6 milliards s'ils continuent à augmenter au rythme des dernières années. En 1981, si les installations progressent au rythme actuel, environ 75% du Canada sera branché sur le câble, ce qui représente l'expansion commerciale maximale de réseau actuel (voir tableau H). Cela signifie aussi que deux millions de foyers auront un service de deuxième classe ou pire. Si le système actuel, qui n'atteint que les trois-quarts des foyers canadiens, se prolongeait au-delà de 1981, d'ici à 1988 les crédits parlementaires atteindraient presque 13 milliards de dollars, avec probablement en plus une réduction de la proportion des Canadiens suivant des émissions canadiennes, sur un service déjà massivement dépendant de l'étranger et échappant au contrôle canadien.

Le coût du système actuel ira en s'accroissant au cours des années à venir tant pour les téléspectateurs que pour l'Etat. Mais l'ironie du système veut que l'augmentation des coûts s'accompagne d'une diminution de la qualité des programmes canadiens, surtout dans le secteur privé. Dans le même temps l'expansion du câble encourage les téléspectateurs canadiens à regarder plus de programmes américains au détriment des programmes canadiens. A son tour, faute de ressources suffisantes, la qualité des programmes canadiens accentuera sa détérioration et, avec elle, la baisse des recettes.

Les crédits parlementaires pour Radio-Canada devront alors être augmentés. A la longue, les téléspectateurs paieront toujours plus cher des programmes canadiens toujours moins populaires. Dans le cadre du système actuel, les données de ce problème ne changeront pas, non plus que les conditions dans lesquelles la production télévisée pourrait s'améliorer.

Comme nous le faisons remarquer plus haut, il y a peu de chance pour que la pénétration du câble n'excède jamais 75 pour cent des foyers canadiens recevant la télévision, ce niveau devant être atteint, au rythme de croissance actuel, vers 1981. Le quart restant ne peut espérer un élargissement de ses choix de programmes ni une amélioration du service, à moins qu'ils ne soient entièrement financés par l'Etat. Or, à moins d'une révision radicale du système, les crédits consentis par l'Etat devront continuer à être votés au taux de progression actuel et peut-être même à un taux supérieur, si, d'ici 1981, le câble, présent dans 75 pour cent des foyers canadiens, empêche la télévision privée classique de maintenir le niveau actuel de sa programmation. A ce moment-là, les revenus tirés de la publicité diminueront non seulement pour les sociétés privées, mais aussi pour Radio-Canada.

Et comment pourrait-on chiffrer la perte éprouvée par la création artistique au Canada quand les téléspectateurs dépendront toujours plus des émissions américaines, des valeurs qu'elles défendent et de la conviction profonde que la violence est un thème payant?

Il est impensable d'envisager un tel avenir pour le Canada. L'opinion publique exigera certainement des changements, à l'image de la création, en 1933, d'une radiodiffusion d'Etat qui transforma l'avenir de la radiodiffusion au Canada.

Nous avons un besoin urgent d'un système de télédiffusion adapté à notre époque et d'une législation sur la télédiffusion qui un service authentiquement canadien que tous les Canadiens pourraient regarder et que le pays pourrait financièrement se permettre. Nous devrions, dès à présent, oeuvrer pour instituer un tel système.

Structure horizontale et structure verticale

On peut dire de la télévision qu'elle a aujourd'hui une structure horizontale. Une station ou un réseau présente des programmes différents les uns après les autres, du matin au soir. Le directeur de la station essaie de présenter ses programmes en fonction des heures d'écoute du public qu'il veut attirer. Toutes les stations d'une même région s'affrontent en permanence pour s'assurer une partie du public total.

La structure horizontale s'est développée parce que l'ensemble du service télévisé est fourni par des organismes divisés, sans coordination, et dont la seule préoccupation est d'obtenir la plus forte cote d'écoute. Dans les régions desservies par le câble, il arrive que deux stations relayées par câble présentent les mêmes émissions en même temps. Un tel double emploi peut se produire quand une station américaine relayée par un réseau de câblodiffusion transmet un programme américain qui est en même temps diffusé par un réseau canadien, ou quand les aires de diffusion de deux réseaux canadiens affiliés se chevauchent. Cela arrive aussi quand les mêmes émissions sont diffusées à la fois par une station américaine et par une station canadienne, avec un très léger décalage équivalent à un chevauchement partiel.

La programmation horizontale augmente la probabilité de voir le même programme apparaître simultanément sur plusieurs canaux de câble; il arrive aussi que des émissions appartenant au même genre soient présentées concurrentement pour mieux conquérir le public disponible. Ceci est particulièrement vrai pour les heures d'écoute des adultes.

Le système de programmation horizontale est le plus courant dans tous les pays où la télédiffusion est fondée sur la concurrence. La câblodiffusion a accru cette concurrence en multipliant le nombre de programmes à diffusion horizontale.

Le système horizontal, quand il n'a pas le profit pour base, programme en fonction de la composition moyenne du public et, quand il repose sur le profit, en fonction du public le plus payant. Dans ce genre de système, même avec le vaste choix permis par le convertisseur au réseau du câble, on ne diffuse, par exemple, que peu d'émissions pour enfants, ce public n'étant pas

considéré comme lucratif. Le public à atteindre en priorité, c'est le grand public ou par exemple le public féminin, surtout urbain et aisé, car il représente plus de consommateurs, plus d'acheteurs potentiels des biens et des services vantés par la publicité. C'est pourquoi les téléspectateurs appartenant à des minorités trouvent peu d'intérêt aux émissions qu'ils peuvent regarder, même avec les avantages d'un réseau par câble. C'est que ce ne sont pas des consommateurs intéressants. C'est aussi une des raisons pour lesquelles on trouve un si large choix d'émissions pour adultes aux heures où les enfants seraient le plus à même de regarder la télévision. Ces programmes ne sont pas nécessairement mauvais; simplement, ils ne sont pas conçus pour les enfants, qui ne se sentent pas concernés.

Il y a une certaine ironie dans le fait que le câble pourrait servir à améliorer la programmation et que n'y étant pas incitées, les sociétés de câblodiffusion ne le fassent pas. En fait, c'est la définition qu'en donnent la Loi sur la radiodiffusion et les règlements du CRTC, qui obligent les réseaux de câble à n'être que les mécanismes de relais de ce qu'ils captent sur les ondes. Tous les désavantages déjà décrits de notre système actuel (mauvaise qualité technique, fréquentation du public canadien, diminution du public canadien d'émissions canadiennes, limitation du choix par chevauchement ou double programmation, absence d'émissions intéressantes des minorités aux heures qui leur conviennent, priorité accordée en permanence aux programmes pour adultes) découlent de cette définition.

Avec l'implantation sans cesse croissante de la télévision par câble, il est techniquement possible d'éviter plusieurs de ces défauts, à condition que les programmes soient conçus pour un système offrant un choix véritablement large. Ils ne le sont pas pour le moment et ne risquent pas de le devenir si la télédiffusion persévère dans son état actuel. Seule une transformation radicale de la télédiffusion canadienne et le développement de la programmation verticale qui suppose que les chaînes se spécialisent dans une catégorie de programmes, permettraient d'atteindre ce but.

Un service à programmation verticale, tel que nous le

décrivons ci-dessous, permettrait au téléspectateur de composer sa propre grille d'émissions en fonction de ce qui l'intéresse et de son horaire d'écoute. Des émissions pour enfants pourraient alors être programmées, plus variées et plus nombreuses que dans le système horizontal, et dans un sens, plus faciles à contrôler pour les parents. Les émissions intéressant les adultes pourraient être plus aisément programmées, et à des heures plus tardives.

Toutes les émissions de toutes les catégories seraient commanditées ou achetées et produites par le système lui-même. Les programmes canadiens et étrangers de la même catégorie seraient juxtaposés. Il n'y aurait plus besoin d'imposer un quota canadien, l'accent étant désormais mis, dans chacune des catégories, sur la qualité et l'intérêt. La publicité pourrait, si on le souhaite, être exclue à certaines heures ou sur certaines chaînes.

La télévision à programmation verticale serait planifiée et ses horaires coordonnés par un organisme indépendant. Au Canada, il faudrait distinguer la planification des horaires des programmes anglais de celles des programmes français. Pour commencer, 12 canaux pourraient être programmés verticalement. Ce chiffre a été choisi parce que tous les postes de télévision peuvent en recevoir autant sans qu'il soit nécessaire d'utiliser un convertisseur. Il a aussi été choisi parce qu'il correspond au nombre de canaux transmissibles par satellite dont on dispose dès aujourd'hui pour la distribution nationale qu'impliquerait ce genre de système.

Les possibilités se multiplieront avec l'élargissement du système et l'augmentation du nombre de canaux disponibles. On pourra alors diffuser les mêmes programmes à des heures différentes, ou diffuser des programmes centrés sur des sujets particuliers: sports, musique, documentaires, langues étrangères, etc. Un tel système pourrait présenter l'ensemble de la production canadienne en y ajoutant presque toutes les émissions étrangères disponibles en anglais et en français, ce qui lui assurerait un immense potentiel. Toutes les émissions radio de Radio-Canada, dans les deux langues, pourraient être distribuées partout au Canada, en modulation de fréquence, moyen de distribution bien plus efficace que celui actuellement utilisé.

Système proposé

Seuls, des fonds suffisants et des services de réalisation permettant de produire suffisamment d'émissions de haute qualité, avantageusement comparables à celles des pays étrangers, en particulier des Etats-Unis, permettraient la mise en place d'un système de télédiffusion idéal qui saurait se mériter l'intérêt réel des téléspectateurs. Les émissions, complétées par un vaste choix puisé parmi les productions étrangères les meilleures et les plus appréciées, seraient accessibles à tous les Canadiens, dans les deux langues nationales. Elles devraient être programmées verticalement, sur au moins 12 canaux, ce qui permettrait aux téléspectateurs, quels que soient leurs goûts, de voir les émissions qui les intéressent plutôt que d'avoir sans cesse à choisir entre les diverses émissions concurrents d'une programmation horizontale. Ce système devrait favoriser le développement de la créativité canadienne, dans tous les domaines de la réalisation, et faire un usage rationnel des moyens techniques. Il devrait, autant que possible, être à l'abri de toute influence des gouvernements ou des partis et, bien qu'étant régi par le pouvoir fédéral ne pas être dirigé par lui. Il devrait pouvoir se développer, tant du point de vue technique que culturel, sans trahir les aspirations canadiennes.

Comme on le verra plus loin, la plupart des objectifs fixés peuvent être atteints pour un coût à peu près équivalent à ce que sera celui du système actuel. Il conviendrait toutefois de procéder à une refonte du dispositif de régie existant, ainsi qu'à la restructuration de l'ensemble du secteur et à la création d'un nouvel organisme de radiotélédiffusion.

Pour les besoins de cette analyse nous appellerons l'organisme central du nouveau système *Télévision Canada* et imaginerons sa mise en place vers 1980.

Vers 1983, la majorité des foyers canadiens devrait bénéficier des services de câblodiffusion de *Télévision Canada*, le reste étant desservi par d'autres systèmes de transmission. Dans les deux cas, les téléspectateurs bénéficieraient de 12 canaux individuels offrant, au total, plus de 200 heures d'émission par jour. Tous les canaux programmés par *Télévision Canada*, dans les deux langues officielles, seraient accessibles sur l'ensemble du territoire canadien. Le nouveau

programme de construction desservirait les 2 millions de foyers qui ne seront vraisemblablement pas reliés au système actuel de câblodiffusion. Les zones déjà câblées auraient également accès à cette programmation.

La distribution nationale serait assurée en acheminant simultanément les programmes par le service actuel de satellite Telesat aux divers centres de câblodiffusion existants et en quadrillant le reste du pays de stations de captage des signaux provenant du satellite. Ces stations seraient reliées par des lignes-mères aux câbles de raccordement; dans certains cas, des relais convertisseurs pourraient être installés pour transmettre les 12 signaux à des téléviseurs classiques dans un rayon d'environ 50 milles. Au fur et à mesure que ces régions seraient câblées, les relais convertisseurs seraient affectés à des régions de plus en plus reculées. Le nouveau système aurait une portée sans précédent, permettant de rejoindre pratiquement tous les Canadiens.

Les Canadiens vivant suffisamment près de la frontière des Etats-Unis pourraient continuer à recevoir directement les émissions de ce pays. Ceux qui sont reliés à des systèmes de câble qui donnent plus de 12 canaux aux abonnés équipés de convertisseurs, pourraient disposer des 12 canaux de base auxquels s'ajouteraient, temporairement, comme à l'heure actuelle, les canaux exclusifs. Ces abonnés constateraient toutefois que la plupart des émissions américaines exclusives seraient reprises par le service de base à 12 canaux et reprogrammées dans les catégories prévues.

Pour être reliés au système, tous les Canadiens paieraient les mêmes tarifs que les abonnés actuels et ces tarifs seraient identiques à la moyenne de ceux qui sont pratiqués actuellement, soit \$75.00 par an en 1976, majorés de 6% par an (voir tableau A).

Parallèlement aux services techniques chargés d'organiser et de réaliser le câblage du territoire, il serait nécessaire de créer un organisme responsable de la programmation simultanée par catégorie, sur 12 canaux dans un premier temps, puis sur un plus grand nombre par la suite. La nouvelle priorité serait de prévoir et de faire réaliser ou d'acheter des émissions pour plus de

200 heures par jour pour alimenter simultanément les 12 canaux. Il serait nécessaire de constituer un groupe de coordination pour définir les objectifs et mettre au point les politiques sur les aspects techniques et la programmation et répartir les fonds parmi les différents groupes de planification responsables de chaque canal.

La concurrence entre les planificateurs pourrait se faire sur les budgets mais non pas au niveau du public. Chacun d'entre eux serait chargé de se procurer ou de faire réaliser des émissions, dans sa propre catégorie, et de les programmer. Il serait possible au planificateur de connaître les réactions du public à son choix, étant donné que la câblodiffusion lui permettrait de savoir instantanément, et de façon continue, quelles sont les réactions d'un échantillon choisi de spectateurs. Il pourrait faire son choix parmi les réalisations du monde entier, pour compléter les émissions qu'il commande aux réalisateurs canadiens. La présentation parallèle de ces émissions, et de productions étrangères de genres identiques, inciterait les réalisateurs canadiens à se dépasser. La qualité de la production ne pourrait donc que bénéficier de la programmation par catégorie et les émissions canadiennes médiocres, programmées uniquement pour satisfaire aux quotas du CRTc, devraient disparaître.

Les objectifs fixés à Télévision Canada viseraient essentiellement à développer la production canadienne sur le plan tant qualitatif que quantitatif, et veilleraient, tel qu'indiqué plus loin, à fournir de plus en plus de fonds à cette fin. Il faut s'attendre, dans un premier temps, à ce que soit diffusée une grande quantité d'émissions étrangères de bonne qualité, mais l'amélioration de la production canadienne engendrée par cette concurrence permettrait d'en diminuer la proportion, mais non le nombre lorsque de nouveaux canaux deviendraient disponibles, ce qui ouvrirait la porte à un plus grand nombre d'émissions. D'elle-même, la production canadienne, dont les normes de qualité seraient supérieures, ne manquerait pas de se développer.

Les qualités de la production étrangère enrichiraient bien sûr la valeur générale du nouveau système canadien sans toutefois étouffer, comme à l'heure actuelle, les émissions d'origine canadienne. Au contraire, le nouveau système favoriserait plus vraisemblablement la réalisation d'un nombre croissant d'émissions canadiennes intéressantes pour d'autres pays et engendrerait des revenus importants pour le nouveau système, ses réalisateurs privés et ses artistes.

Une estimation des ressources éventuelles du nouveau système, par rapport à celles dont dispose le système actuel, permet d'en mieux évaluer le potentiel. Les fonds affectés à la programmation télévisée proviennent de crédits accordés par le Parlement à Radio-Canada et de la publicité (compte non tenu des programmes locaux de câblodiffusion). Dans le chapitre 5, "Coût du présent système", nous avons estimé qu'en 1976, l'ensemble du système de télédiffusion, sans

distinction de langue et de réseau. (Radio-Canada et réseaux privés) pourrait disposer d'environ \$375 millions. Si l'on applique aux revenus publicitaires et aux crédits du Parlement les taux moyens d'augmentation, ce montant pourrait atteindre \$421 millions en 1977 et \$476 millions en 1978. Par comparaison, le nouveau système pourrait générer un budget de \$938 millions en 1978 et de \$1.68 milliard en 1988. (voir tableau D).

En plus de disposer de plus de fonds, le nouveau système (qui serait le seul acheteur) n'aurait à affronter aucune surenchère pour l'achat de productions étrangères, ce qui lui permettrait de s'en porter acquéreur à des prix inférieurs à ceux qui ont cours actuellement. Le prix moyen d'un épisode d'une heure distribué à l'échelle nationale était d'environ \$3,000 en 1973 et de \$7,000 en 1976. Pour les demi-heures, le prix est passé de \$1,800 à \$4,000 par épisode. Étant donné que le système achèterait pratiquement toutes les séries populaires américaines, l'importance des économies réalisables n'est pas négligeable.

Les effectifs beaucoup plus réduits de Télévision Canada (voir ci-dessous) absorberaient une bien moindre proportion des fonds disponibles. Pour 1978, Télévision Canada ne consacrerait que \$43 millions à l'ensemble de son personnel, \$35 millions aux frais de transmission par satellite et \$118 millions à l'installation et à l'entretien des raccordements et du câblage (voir tableau D). Les frais de distribution et d'administration s'élèveraient donc à \$196 millions au total, soit 18.5% du budget global. Le montant prévu pour l'achat des émissions, y compris tous les coûts de production, s'élèverait à \$895 millions. Dans le secteur privé du système actuel, 40% du revenu sont consacrés à la distribution et à l'administration, et ce pourcentage est encore supérieur pour Radio-Canada.

Au cours des premières années d'exploitation, le système afficherait un déficit en raison des investissements très élevés que nécessiterait le câblage de tout le pays avec de nouvelles installations et l'achat de tous les raccordements installés par les exploitants des réseaux de télédistribution déjà en place.

Vers 1982, le système aurait cependant atteint son seuil de rentabilité, compte tenu des intérêts payés sur la période de déficit entre 1978 et 1982. Vers 1983, une très grande partie du territoire canadien pourrait être câblée. Vers 1984, les crédits alloués par le Parlement pourraient être réduits à environ \$300 millions et devraient diminuer à \$100 millions par an vers 1987. Les chiffres du tableau D montrent un excédent accumulé de plus de \$1 milliard en 1988, auquel il faudrait ajouter les intérêts encaissés sur les fonds accumulés et les revenus procurés par la vente de productions canadiennes à l'étranger.

À l'heure actuelle, l'Ontario (notamment le Sud et l'Est de cette province) reçoit la majorité des programmes canadiens. Compte non tenu des stations canadiennes reprises par la câblodiffusion, il y a, à

Toronto, deux stations Radio-Canada, une station CTV, une station Global, deux stations indépendantes et une station TVO, qui diffusent environ 123 heures par jour, ainsi que 4 stations américaines qui programment environ 90 heures. Les 123 heures canadiennes (18 en français) contiennent environ 56 heures d'émissions américaines, qui sont également diffusées au Canada par les stations américaines. Par conséquent, les 213 heures quotidiennes de programmation sont à 33.3% canadiennes (28.6% en anglais et 4.7% en français). En fait, la proportion d'émissions canadiennes est moindre étant donné que les émissions présentées après minuit, généralement de provenance étrangère, n'entrent pas dans les quotas du CRTC. Les abonnés au câble équipés d'un convertisseur disposent de 7 canaux supplémentaires, dont ceux de Radio-Canada et de CTV, qui reprennent en grande partie les émissions de base, ainsi que d'autres stations américaines, et certains canaux de service diffusant des nouvelles de presse, des rapports boursiers, des bulletins locaux et des émissions exclusives. La plupart des convertisseurs offrent jusqu'à 36 canaux dont certains sont actuellement inutilisés. La proportion d'émissions canadiennes disponibles à l'aide d'un convertisseur est évidemment plus faible encore.

A Ottawa, la câblodiffusion offre aux téléspectateurs 6 stations locales, dont 4 en anglais et 2 en français, plus des stations canadiennes d'autres villes, qui reprennent en grande partie les émissions locales, ainsi que 4 stations américaines. Les principaux systèmes de câblodiffusion du Québec (tel que celui de Hull) offrent les émissions en circuit fermé de Radio-Québec pendant 8 heures par jour. Ottawa étant considérée comme une zone bilingue, on y compte 106 heures quotidiennes d'émissions canadiennes (70 heures en anglais et 36 heures en français) et 72 heures d'émissions américaines câblodiffusées, soit au total 178 heures par jour, en plus du service normal de câble. Si l'on tient compte du contenu étranger dans la programmation canadienne, le pourcentage d'émissions canadiennes câblodiffusées est de 28% (18.5 en anglais et 9.5% en français).

Si l'on compare le nombre d'heures offertes à un abonné du câble dans les zones les mieux desservies au Canada, par rapport à ce dont peut disposer un téléspectateur américain, on constate que la programmation est plus fournie au Canada mais qu'il est très difficile de tirer parti du choix offert devant la concurrence que se font les diverses émissions. Une programme vertical à 12 canaux pourrait offrir un plus grand nombre d'heures, plus facilement accessibles, que la plupart des systèmes de câblodiffusion, et ces canaux répondraient à un plus vaste éventail de goûts. De plus, il serait possible de fournir des émissions d'une meilleure qualité et éliminer la médiocrité d'une grande partie des émissions actuelles.

Il serait possible de programmer 216 heures par jour sur les 12 canaux entre 7h. et 1h. du matin. Ces horaires pourraient être allongés, si nécessaire. Les émissions régionales pourraient être transmises aux stations centrales de distribution pendant les heures non

programmées (entre 1h. et 7h. du matin) pour être diffusées aux autres heures.

Voici un exemple de programmation verticale nationale sur 12 canaux, dont 7 en anglais et 5 en français, et passant à 6 en anglais et 6 en français au fur et à mesure des disponibilités de transmission par satellite. Dans les zones francophones, le canal régional anglais 8 serait remplacé par son équivalent français et la capacité du premier canal français de divertissement serait portée à une journée entière. Ceci permettrait de disposer de 7 canaux anglais et 5 canaux français dans les zones anglophones et de 6 canaux français dans les zones francophones, pour tout téléviseur standard à 12 canaux. Les heures d'émission du canal anglais des nouvelles et des affaires publiques seraient allongées pour transmettre les nouvelles en direct, sur tous les fuseaux horaires. Il est à noter qu'en raison de la duplication importante du système horizontal actuel, 7 canaux verticaux seraient plus que suffisants pour remplacer 12 canaux horizontaux.

Canal 2	
Divertissement I	7h. à 1h. (anglais)
Canal 3	
Divertissement II	7h. à 1h. (anglais)
Canal 4	
Divertissement III	7h. à 1h. (anglais)
Canal 5	
Nouvelles et affaires publiques	6h. à 3h. (anglais)
Canal 6	
Émissions culturelles	7h. à 1h. (anglais)
Canal 7	
Programmation pour les enfants	7h. à 19h. (anglais)
Cinéma	19h. à 1h. (anglais)
Canal 8	
Régional, éducatif, information aux consommateurs	8h. à 12h. (anglais)
Canal 9	
Régional, éducatif, information	7h. à 19h. (français)
Divertissement I	19h. à 1h. (français)
Canal 10	
Divertissement II	7h. à 1h. (français)
Canal 11	
Nouvelles et affaires publiques	7h. à 1h. (français)
Canal 12	
Émissions culturelles	7h. à 1h. (français)
Canal 13	
Programmation pour les enfants	7h. à 19h. (français)
Cinéma	19h. à 1h. (français)

Les sports pourraient être diffusés sur l'un des canaux de divertissement ou sur un canal réservé spécialement à cet effet, lorsque de nouveaux canaux seront disponibles.

Comme on le verra plus loin, l'augmentation des possibilités de transmission par satellite permettrait de varier la répartition des émissions, tant du point de vue linguistique que sur d'autres plans. La programmation est généralement plus orientée sur l'anglais que le français, d'une part pour des raisons de population, et d'autre part parce que la proportion d'émissions étrangères est forte et que parmi ces dernières le nombre d'émissions disponibles en français est plus réduit. La disparité entre les services en anglais et en français a toujours existé au Canada, mais le nouveau système permettrait de l'amoin-drir considérablement.

Selon la Commission royale d'enquête sur le bilinguisme et le biculturalisme 80% des canadiens bilingues sont francophones. Les émissions en anglais, en particulier celles venant des Etats-Unis, sont de plus en plus suivies par les francophones. Les Canadiens anglais sont moins portés à regarder les émissions canadiennes en français, étant moins nombreux à comprendre cette langue, et ceux qui le peuvent ne sont pas toujours situés dans des régions où sont diffusées des émissions françaises. Une système offrant un très vaste choix, ainsi qu'une plus grande proportion d'émissions américaines qu'actuellement, développerait davantage le bilinguisme parmi les francophones. De leur côté, les anglophones devront cependant être motivés, sur le plan politique, économique ou culturel, pour apprendre une autre langue. L'accessibilité à une programmation française les aiderait à apprendre cette langue s'ils le désirent et leur faciliterait le contact avec le développement de la culture francophone au Canada.

A l'heure actuelle, le Québec, l'Ontario et l'Alberta sont les seules à réaliser des émissions éducatives pour la télévision, les autres provinces s'acheminant cependant dans la même direction. Au Québec, toutes ces émissions sont en français et durent environ 4 heures par jour, répétées de façon à procurer 56 heures de programmation hebdomadaire. Elles sont reprises par les compagnies de câblodiffusion du Québec, sans toutefois atteindre tous les téléspectateurs Canadiens français. Les émissions du réseau TVO, en Ontario, sont pour la plupart en anglais mais incluent toutefois des émissions quotidiennes en français; elles sont diffusées par les stations des régions de Toronto, London et Ottawa et certaines sont câblodiffusées.

Certaines des émissions TVO ne sont pas de provenance canadienne et sont achetées au U.S. Public Broadcasting System ainsi qu'à des tiers. Elles seraient probablement incluses dans le contenu normal d'une programmation verticale. La mise en place d'un service de télévision nationale très diversifié modifierait probablement le genre des émissions éducatives réalisées actuellement par les provinces canadiennes. Ces émissions deviendraient vraisemblablement plus spécifiquement régionales et plus pédagogiques. La diffusion dans toutes les provinces d'émissions réalisées par chacune d'entre elles favoriserait l'éveil d'une conscience nationale et serait un facteur de promotion

et de renforcement du fédéralisme.

La capacité maximale de 12 canaux d'un système de diffusion par satellite limiterait quelque peu la programmation verticale au Canada au cours de ses premières années d'application.

Bien que pouvant prendre en charge l'ensemble des 12 canaux de programmation nationale, ce système ne permettrait pas une diffusion particulière pour chaque fuseau horaire. La diffusion nationale actuelle des programmes est répartie sur les divers fuseaux horaires par retard magnétoscopique à partir de la région Est. Comme pis-aller, il serait possible d'alimenter le système de diffusion par satellite sur la base de l'heure de l'Est. Par rapport aux heures locales, les émissions seraient donc d'une heure en retard dans les provinces atlantiques et d'une heure en avance dans la zone centrale. Pour les régions des Rocheuses et du Pacifique la diffusion serait retardée par magnétoscopie, aux points de réception au sol ou de distribution. (Un système analogue est déjà utilisé aux Etats-Unis).

Les nouveaux satellites actuellement prévus par Télésat entreraient en service vers 1983; ils offriraient une capacité accrue, seront mieux conçus pour relayer les émissions télévisées, et leur coût sera légèrement moindre.

Ces nouveaux satellites permettant, par exemple, de relayer 16 canaux, il sera possible de choisir, au sol, 12 canaux qui seront acheminés dans une zone donnée, et de faire varier la proportion entre les canaux anglais et français, selon les zones, sans utiliser de convertisseur. Avec un convertisseur, les 16 canaux seront disponibles. Il est également à prévoir que l'adoption généralisée de la câblodiffusion au Canada incitera les constructeurs à intégrer un convertisseur aux téléviseurs. De tels récepteurs sont déjà fabriqués au Canada. Cependant, dans la plupart des régions du pays, 12 canaux bien utilisés apporteront une telle amélioration quantitative et qualitative des émissions, et poseraient un tel défi aux réalisateurs, qu'ils suffiront amplement pour les quelques années à venir. Au fur et à mesure de leur disponibilité, les nouveaux canaux seront affectés à de nouvelles programmations. Ils pourront, de toute façon, être utilisés pour plus large base le contenu des 12 canaux et reprendre les émissions selon des programmes différents, offrant une souplesse encore accrue aux téléspectateurs, pour un coût à peine supérieur. Ces nouveaux canaux permettront également de simplifier le problème posé par les fuseaux horaires qui, au Canada, avec les provinces atlantiques et Terre-Neuve en plus, sont au nombre de 5 contre 3 aux Etats-Unis. Les heures inutilisées pour la diffusion pourraient être affectées à l'acheminement d'un nombre sans cesse croissant d'émissions régionales à Télévision Canada qui les retransmettra sur le réseau national, au profit du pays tout entier.

Structure du nouveau système canadien de télédiffusion

Le nouveau système se composerait de trois organes principaux: le premier appartenant au secteur public et financé par lui, serait chargé de l'élaboration des programmes et s'appellerait Télévision Canada; le deuxième, appelé Gestion Télévision Canada et géré par le secteur privé, fournirait les services techniques et les services de production nécessaires à la réalisation des émissions, et assurerait un service de câblodiffusion national; le troisième, et sous bien des aspects le plus important, regrouperait les créateurs, les auteurs, les artistes, les concepteurs, les acteurs, les chanteurs, les producteurs, les réalisateurs, les journalistes, les assistants et les modélistes qui constituent ce monde de travailleurs indépendants sur lequel s'appuie la télévision canadienne.

Télévision Canada serait un organisme relativement petit, dont les effectifs ne dépasseraient pas 1,000 personnes, et qui assurerait la coordination, la planification et la programmation.

Le personnel serait recruté parmi les télédiffuseurs tels que Radio-Canada, les réseaux privés et les sociétés de câblodiffusion. Tous seraient regroupés sous la bannière de Télévision Canada qui deviendrait le seul organisme national de télédiffusion du pays. Ses structures ne seraient cependant pas différentes de celles des réseaux ordinaires.

Une nouvelle société privée, Gestion Télévision Canada, serait constituée; elle aurait pour objet de fournir les installations nécessaires à la production des émissions ainsi qu'à la pose et à l'entretien des raccordements et du câblage, dont elle ne serait toutefois pas propriétaire; elle se chargerait également de la vente du temps publicitaire sur le nouveau réseau, selon les normes de Télévision Canada.

Des organismes de production seraient rapidement formés pour fournir les émissions à Télévision Canada. Ce grand nombre de petites entreprises privées permettrait d'améliorer la qualité des émissions fournies, comme dans les autres grands pays producteurs. Les fonds disponibles étant supérieurs et les frais généraux moins élevés, la partie créatrice pourrait se développer davantage et serait prospère.

Les objectifs immédiats de Télévision Canada

seraient d'établir et de mettre en place la programmation sur 12 canaux pour la distribuer ensuite dans toutes les parties du pays, et de superviser l'installation et l'entretien des raccordements dans chaque foyer canadien. Le système à 12 canaux imposerait une augmentation considérable du nombre des émissions d'origine canadienne ce qui provoquerait, en retour, une utilisation des installations et du personnel de production d'autant plus rationnelle qu'elle serait le fait d'entreprises privées, soucieuses de satisfaire leur clientèle et de réaliser des profits.

La clientèle de Gestion Télévision Canada serait composée de Télévision Canada, des maisons de production télévisée, des producteurs et des réalisateurs qui auraient besoin des installations, et des téléspectateurs dont les récepteurs seraient reliés au réseau de câblodiffusion géré et entretenu par Gestion Télévision Canada.

Les recettes nécessaires à l'exploitation de Télévision Canada proviendraient des abonnements, de la publicité et, provisoirement, de crédits parlementaires. De plus, d'autres revenus pourraient être tirés de la vente croissante d'émissions canadiennes à l'étranger ainsi que de la propriété des raccordements installés chez chaque abonné, puisque ces installations et le réseau qui les relie pourront probablement être utilisés pour différents services autres que la câblodiffusion d'émissions, moyennant des redevances ou des loyers.

Sur la base des sommes actuellement allouées à Radio-Canada, le maintien des crédits parlementaires serait essentiel au cours des premières années pour assumer le coût élevé des investissements nécessaires à l'installation de la câblodiffusion dans chaque foyer canadien. Malgré tout, dès le début, et ce facteur est d'une importance vitale, le système permettrait d'affecter à la réalisation des émissions environ le triple du montant actuel.

Après la période préliminaire de câblage (avant 1982) les crédits parlementaires pourraient être sensiblement réduits. Environ \$2.6 milliards seraient nécessaires au cours de la période d'installation, soit l'équivalent des crédits qui seraient normalement alloués à Radio-Canada pendant la même période, dans le système

actuel. Par la suite, les exigences annuelles seraient de l'ordre de \$300 millions et baisseraient au fur et à mesure que d'autres recettes deviendraient disponibles. Si les crédits alloués par le Parlement à Radio-Canada continuent d'être versés au rythme actuel, ils s'élèveront à environ \$12.5 milliards entre 1977 et 1982 et à environ \$10 milliards entre 1982 et 1988 (voir chapitre 5).

Le tableau E indique la progression du câblage au Canada ainsi que la provenance et l'affectation des fonds nécessaires. Le coût global pour le gouvernement, de 1977 à 1988, serait bien inférieur aux chiffres indiqués plus haut. Malgré tout, les revenus pouvant être affectés à la production ou l'achat d'émissions seraient supérieurs à ce que permettrait le système actuel qui ne sera jamais un système très diversifié, étroitement contrôlé et accessible à tous les Canadiens.

Les crédits parlementaires devront être maintenus pour assurer les services de radio de Radio-Canada, à raison de \$100 millions par an, sur la base de chiffres de 1977; cependant, ce montant pourrait vraisemblablement être réduit si ces émissions étaient transmises comme sous-produit du système de câblodiffusion de Télévision Canada qui les transmettra à meilleur compte, sur une base plus vaste qu'actuellement. Les avantages techniques sont évidents puisque les émissions auraient la qualité FM et pourraient être acheminées, si nécessaire, en stéréophonie.

Il est proposé que Télévision Canada soit propriétaire des raccordements et des lignes-mères reliant les abonnés. Télévision Canada achèterait les installations existantes aux sociétés actuelles de câblodiffusion et financerait la pose des nouvelles installations, qui serait effectuée par Gestion Télévision Canada. La propriété des raccordements des abonnés par un organisme public national serait un facteur à considérer dans les provinces et le pouvoir fédéral. (Le ministre fédéral des Communications a proposé un accord au Manitoba en novembre 1976. (voir Annexe B). Le CRTC examine les aspects juridiques de cette décision qui, actuellement, va à l'encontre de sa politique). Jusqu'à nouvel ordre, les services Télésat ont été largement financés par des fonds fédéraux; leur utilisation pour la distribution directe des programmes au Canada engendrerait des recettes qui permettraient la mise au point de satellites de deuxième génération.

Le nouveau système offrirait également des avantages distincts aux provinces désirant fournir des services de diffusion spécialisés à leur habitants. Un système de distribution nationale, tel que Télévision Canada, serait le moyen le plus pratique d'atteindre tous les habitants d'une région ou de plusieurs régions, grâce à la transmission par satellite.

Télévision Canada

Télévision Canada comporterait, d'une part, un conseil assurant la coordination et l'établissement des politiques et, d'autre part, une équipe chargée de la diffusion des émissions télévisées en français. Différentes approches peuvent être envisagées pour la nomination des membres du conseil de direction, à l'intérieur de certains critères: la compétence des membres de ce conseil; l'aptitude du conseil à exercer effectivement son mandat; sa représentativité des points de vue régionaux, provinciaux, culturels et linguistiques; l'existence de relations spéciales entre Télévision Canada, Gestion Télévision Canada et les services de création; et enfin le rôle et les responsabilités du Parlement. Le conseil relèverait du Parlement par l'intermédiaire du ministre des Communications. Il serait responsable des politiques, de la fixation des objectifs, de la recherche et du financement pour ce service de diffusion, offert dans les deux langues, ainsi que des aspects techniques de la distribution. Son travail et celui du personnel porteraient essentiellement sur la planification, l'évaluation et l'établissement de contrats plutôt que sur la réalisation ou l'exécution des décisions. Le personnel devrait être choisi en fonction de sa compétence technique, de son expérience et de ses réalisations antérieures.

Une division de planification et de programmation pourrait être chargée du choix des émissions et de leur achat auprès de producteurs canadiens ou étrangers. Les mêmes opérations seraient menées tant pour l'anglais que pour le français et les deux groupes linguistiques seraient subdivisés selon la programmation correspondant à chaque canal. On devrait trouver dans la plupart des catégories aussi bien du personnel régional que national.

La division finances et comptabilité serait chargée du recouvrement et de la distribution de toutes les recettes. Un groupe d'ingénierie serait chargé de la planification de tous les besoins techniques et des liaisons avec les organismes extérieurs qui y pourvoiraient. Une division juridique serait chargée de l'établissement des contrats et de l'achat ainsi que de la vente d'émissions et de services. Une division de la circulation s'occuperait de la préparation et de l'exécution de la transmission des

programmes. L'ensemble de ces services disposerait d'un personnel de liaison, de vente des émissions, de recherche et de relations publiques.

Les effectifs permanents s'élèveraient approximativement à 960 personnes, tel qu'indiqué plus loin. Le personnel de création et de soutien travaillant actuellement pour Radio-Canada et les réseaux privés serait employé, comme pigistes, par les producteurs et les entreprises de production passant des contrats avec Télévision Canada pour la réalisation d'émissions canadiennes. Télévision Canada elle-même ne posséderait ni studio, ni matériel de production. Ces installations seraient prises en charge au départ par Gestion Télévision Canada, tel qu'indiqué dans le chapitre suivant.

Télévision Canada tirerait ses recettes des abonnements et de la publicité, tout en continuant de bénéficier des crédits parlementaires pendant les 5 à 6 premières années, après quoi ces derniers seraient progressivement supprimés. Le tarif des abonnements serait approximativement celui que paient actuellement les abonnés au câble (\$75.00 par an en 1976) sous réserve d'une hausse de 6% par an. La progression des crédits parlementaires serait basée sur le taux moyen d'augmentation des crédits alloués à Radio-Canada, au cours des dernières années, jusqu'en 1982. Par la suite, tel qu'indiqué dans le tableau D, les besoins i raient en diminuant et ces crédits pourraient devenir inutiles devant l'apparition d'autres sources de revenus telles que la vente d'émissions canadiennes et la progression des revenus publicitaires.

Même en projetant les chiffres actuels, la publicité jouerait un rôle proportionnellement moindre dans le financement de Télévision Canada qu'elle ne le fait dans le système en place, étant donné l'importance que prendraient les revenus procurés par les abonnements. Cependant le système diversifié de télédiffusion offrirait de nouveaux avantages aux annonceurs en leur ouvrant des canaux supplémentaires et en leur assurant un public plus important et mieux défini.

Il est vraisemblable qu'un service intégralement canadien, tel que Télévision Canada, permettrait de rapatrier la plus grande partie des fonds consacrés à la

publicité sur les stations de télévision américaines proches de la frontière et dont les émissions ne seraient plus acheminées par le service canadien.

Les téléspectateurs canadiens installés dans ces régions pourraient continuer de recevoir les stations américaines mais n'y verraient pas grand avantage puisque la plupart des émissions des réseaux américaines seraient intégrées aux programmes canadiens.

Télévision Canada Conseil (coordination et politique)

Président du conseil (personnel)	1
Vice-président du conseil (personnel)	1
Chef de la programmation (personnel)	2
Chef de Gestion Télévision Canada	1
Représentants du ministère des Communications	2
Conseiller financier (personnel)	1
Conseiller en ingénierie (personnel)	1
Représentants du secteur public	6
TOTAL	15

Télévision Canada Personnel

Président du conseil et personnel	10
Vice-président du conseil et personnel	10
Conseiller financier et personnel	15
Conseiller en ingénierie et personnel	15
Liaison nationale et internationale	10
Recherche et relations publiques	50
Division planification et programmation:	
Anglais	100
Français	100
Anglais régional	150
Français régional	50
Circulation	50
Achat et vente des émissions	25
Services juridiques et comptables	140
Administration et bureaux	200
TOTAL	925

Coûts	
Salaires	\$22 millions
Frais	\$18 millions
TOTAL	\$40 millions

Gestion Télévision Canada

Gestion Télévision Canada serait constituée à partir des installations actuelles de la Société Radio-Canada et d'autres sociétés de télédiffusion privées, ainsi que des compagnies existantes de câblodiffusion (à l'exception des raccordements qui appartiendraient à Télévision Canada). La nouvelle Société étant appelée à une existence permanente, les organismes existants ne devraient pas rester insensibles à la fusion projetée. Parmi les moyens de parvenir à une plate-forme de négociations équitable, relevons celui qui tient compte des valeurs immobilières brutes propres à chaque organisation, telles que rapportées au CRTC. Les relevés disponibles les plus récents, ceux de l'année 1975-76, attribuent aux sociétés de télédiffusion privées une valeur de \$182 millions et évaluent l'équipement des compagnies de câblodiffusion à \$358 millions (voir tableau 1). Les chiffres relatifs à la Société Radio-Canada ne sont pas présentés d'une façon qui permette facilement les comparaisons, mais il est à noter qu'il y a aujourd'hui 28 stations émettrices appartenant à cette société et gérées par elle, en regard de 74 stations privées, et par conséquent une estimation brute de \$150 millions serait justifiée. Ainsi, la nouvelle compagnie disposerait d'avoirs bruts de l'ordre de \$690 millions, chiffre qui pourrait être retenu pour évaluer, par la suite, le taux de participation individuel au capital.

Certains membres de l'industrie de la télédiffusion pourraient, à l'occasion de cette réorganisation, retirer leur épingle du jeu, si tel était leur souhait. Les recettes (de l'ordre de \$396.6 millions) provenant de l'acquisition par Télévision Canada du réseau de câbles de raccordement et de lignes-mères existants permettraient à la nouvelle compagnie de dédommager les exploitants actuels qui se désisteraient, assainissant ainsi les bases économiques de l'actionnariat. A supposer qu'aucun désistement ne se produise, la Société Radio-Canada détiendrait environ 22 pour cent des actions de la nouvelle société, dans laquelle la participation du secteur public serait donc de cet ordre; elle pourrait, par convention, être portée à un maximum de 30%.

Gestion Télévision Canada fournirait les moyens de production, les services techniques, l'installation et l'entretien des réseaux de câbles de raccordement et de

lignes-mères, et agirait à titre de représentant commercial de Télévision Canada pour la publicité. A Gestion Télévision Canada incomberait également la tâche de fournir le personnel qualifié pour assurer les différents services dans les domaines délimités par Télévision Canada. Gestion Télévision Canada devrait veiller également à fournir des moyens de production modernes et efficaces. Une coopération étroite et permanente entre Télévision Canada et Gestion Télévision Canada devrait permettre à cette dernière de mener à bien ces tâches selon un programme préétabli.

Gestion Télévision Canada garderait toute latitude de proposer ses services à d'autres clients. Parallèlement, rien ne saurait empêcher un actionnaire, qu'il vienne de la télédiffusion ou de la câblodiffusion, de mettre sur pied sa propre firme de production ou de participer, d'une manière ou d'une autre, à la réalisation de programmes pour la télévision; et d'aucuns, parmi les réalisateurs les plus expérimentés du pays, n'y manqueront pas, se plaçant ainsi sur un même pied d'égalité que les autres réalisateurs.

Qu'est-ce qui inciterait les membres actuels de l'industrie de la télévision à rejoindre les rangs d'une telle société?

L'exploitant de stations de télédiffusion verrait d'un bon oeil la réalisation de ce projet, sachant pertinemment que son entreprise est à la longue menacée par la généralisation de la câblodiffusion; à défaut d'une politique d'étroite collaboration avec les tenants de la câblodiffusion, il verrait donc son public s'effriter et ses gains périliter.

Radio-Canada donnerait son aval, compte tenu de son rôle historique au service du peuple canadien et son souhait de ne pas rester en marge d'un système national de télévision répondant aux exigences du présent. Il serait d'ailleurs impossible d'envisager la création d'un tel système sans la refonte totale du système actuel et sans tenir compte du rôle que Radio-Canada y joue.

L'exploitant de câblodiffusion, quant à lui, serait tenté de briser le carcan qui le confine à un milieu d'où l'élément canadien disparaît peu à peu.

Ces modifications, pour ne pas dire ces bouleversements, qui affecteront les prérogatives et les types de

rapports établis entre les pionniers de la télévision au Canada, ne sauraient, en aucune manière, rester sans contrepartie pour les intéressés. C'est ainsi que les perspectives de bénéfices pour la période 1977-78, consignées dans le tableau E, sont édifiantes à ce sujet et tendent à prouver que les actionnaires de la nouvelle société n'auraient pas à regretter leur précédent statut.

Le rapport annuel du CRTC pour 1975-76, qui fournit un aperçu des activités de l'industrie de la télévision privée en 1975, en comparaison de 1974 (voir tableau I), précise que les bénéfices, avant imposition, de la télédiffusion ont atteint \$39 millions en 1975 (contre \$23 millions en 1974), et que ceux de la câblodiffusion se sont élevés à \$30 millions en 1975 (contre \$27 millions en 1974). Ainsi, en 1975, les secteurs de la télédiffusion et de la câblodiffusion réunis ont réalisé des bénéfices, avant imposition, de l'ordre de \$69 millions (contre \$50 millions en 1974).

Les bénéfices escomptés, avant imposition, de Gestion Télévision Canada devraient atteindre \$80.6 millions en 1978, et s'élever à \$151.2 millions en 1988. La perspective de cette courbe ascendante de bénéfices n'est que le reflet de l'activité projetée de Télévision Canada, qui assurerait une couverture totale du pays, impossible à obtenir par la câblodiffusion actuelle. Une telle couverture aurait forcément pour corollaire un accroissement des sources de revenus, et des budgets sensiblement plus consistants permettant la réalisation de programmes canadiens de grande qualité.

Pour peu qu'elle soit mieux gérée et qu'on en fasse un meilleur usage, l'actuelle industrie de programmes pour la télévision verrait son rendement nettement amélioré. Gestion Télévision Canada, se propose précisément de jouer ce rôle, dans l'intérêt même des propriétaires de l'industrie en question. Par ailleurs, l'accroissement prévisible de la production pourrait favoriser l'émulation au niveau de la réalisation des programmes, stimulant même le développement au Canada d'un monde, marginal mais non dépourvu de créativité, de collaborateurs occasionnels.

Création de Télévision Canada

Une population entièrement et systématiquement desservie par câbles, voilà qui pourrait représenter une source de revenus supplémentaires dans le cas où, dans un proche avenir vraisemblablement, ce réseau de câbles servirait à la transmission de messages autres que ceux produits par la télévision. Cette possibilité intéresserait à coup sûr les autorités des provinces et certains organismes privés, sans parler des sociétés provinciales de télécommunication. Il n'en reste pas moins qu'à l'issue de la principale phase d'installation de câbles, en 1983, le Canada disposerait, pour la première fois, d'un réseau couvrant l'ensemble du territoire national.

Des canaux d'émission supplémentaires peuvent être intégrés au réseau, sur la base d'un prix de revient qui s'élèvera, en 1978, à \$80 millions par canal. Ce coût sera réduit à partir de 1983, lorsque seront opérationnels les satellites Télésat de la seconde génération d'ores et déjà à l'étude. Le gouvernement fédéral devrait se féliciter de cet usage inespéré d'intérêt national de Télésat qui, sans cela, ne tiendrait pas ses promesses sur le plan de la rentabilité et ses promoteurs pourraient être accusés d'avoir gaspillé les deniers publics.

Le nouveau système pourrait instituer un département indépendant chargé de l'information, à l'instar des "Independent Television News" de Grande-Bretagne, qui assurerait la diffusion des informations internationales dans les deux langues nationales, tout en améliorant la qualité de la couverture des événements locaux à travers tout le pays. La diffusion des informations télévisées simultanément en anglais et en français sur toute l'étendue du territoire national mettrait davantage en relief le développement biculturel canadien. D'autre part, la présence simultanée de journalistes d'expression anglaise et française dans toutes les régions du pays devrait promouvoir une meilleure compréhension mutuelle au niveau national.

Il est également très important de noter que grâce aux recettes escomptées d'une part, et à une politique favorisant le développement d'une expression culturelle spontanée et indépendante dans les grands domaines de production d'autre part, le Canada pourrait enfin se lancer dans la réalisation courante de programmes d'excellente facture, répondant aux critères des

meilleures productions internationales; l'exception d'autrefois deviendrait, demain, la règle.

Les "canaux réservés" de la télévision payante devraient également être intégrés au système national envisagé plutôt que de demeurer l'apanage d'entreprises privées indépendantes, pour l'excellente raison que toute l'infrastructure de la câblodiffusion appartiendrait à Télévision Canada qui, seule, rendrait possible la diffusion, à l'échelle nationale, des programmes de ces "canaux réservés".

Une plus large diffusion réduirait, ainsi, les tarifs d'abonnement. L'activité principale de la télévision payante étant axée sur la diffusion de longs métrages récents, un agencement plus rationnel de ces derniers serait possible: une fois projetés en première vision dans les circuits de cinémas, ces films seraient diffusés sur les "canaux réservés", avant d'être commercialisés sur le réseau ordinaire de la télévision. La qualité des images en serait améliorée, dans la mesure où un réseau à couverture nationale pourrait avoir recours à l'emploi de pellicules de 35mm, voire de ruban quadruplex, alors que la plupart des entreprises de télévision payante se contentent de copies répondant rarement aux normes techniques de qualité. Les bénéfices réalisés pourraient servir à acheter des exclusivités telles que des rencontres sportives, qui seraient insérées dans la programmation réservée aux abonnés.

L'existence de Télévision Canada permettrait de simplifier la réglementation de la télédiffusion, relevant du gouvernement fédéral, rendre caduques les formalités actuelles imposées pour l'obtention d'un permis de télédiffusion, et éliminer de l'industrie de la télévision les inconvénients d'une organisation complexe, disparate et qui manque souvent de coordination. La classification, l'analyse des détails à caractère commercial, la réglementation ainsi que l'établissement de statistiques s'en trouveraient simplifiés. Sur un autre plan, le législateur, n'ayant plus à se soumettre à la contrainte fastidieuse de l'étude ou de l'audition d'une multitude de rapports fort complexes, accorderait une plus grande attention à des problèmes tels que la teneur des programmes diffusés, les réactions du public, la répartition des heures d'émission selon les différentes

catégories de programmes disponibles, en un mot, jouerait un rôle plus déterminant, tout ce que le CRTC ne peut pas se permettre dans les circonstances présentes en raison de la complexité de l'actuelle réglementation.

Si, comme l'a suggéré le ministre des Communications, le CRTC se trouvait déchargé de sa responsabilité de régir le domaine de la radiotélédiffusion, il s'établirait un lien plus direct avec le Parlement, par le biais du ministère des Communications. Bien sûr, il est risqué de laisser les moyens d'information de masse à la merci de la politique, mais ce risque est encore préférable à la prodigieuse indifférence du Parlement vis-à-vis de la radiotélédiffusion, indifférence ayant caractérisé toute la dernière décennie. C'est cette absence d'intérêt qui a notamment permis les différentes interprétations de la loi sur la radiodiffusion par le CRTC, Radio-Canada, les exploitants de radiotélédiffusion privée et les exploitants de câblodiffusion, pour aboutir en définitive à un système incohérent, le système actuel, et son cortège de problèmes. On en est arrivé à la situation présente en raison de l'incapacité, dont ont fait preuve les différentes composantes du secteur de la télévision, à prévoir justement ces problèmes et à les prévenir.

A l'avenir, une plus grande rigueur dans la planification des ressources, une meilleure évaluation des objectifs à atteindre, ainsi que l'adaptation des aspirations régionales, culturelles et nationales à la technologie et aux exigences économiques devraient permettre le développement au Canada d'une télévision saine et prospère, caractérisée par sa créativité et son esprit d'émulation.

Incidences politiques

Les institutions culturelles se développent sur la toile de fond des institutions politiques. La Loi sur la radiodiffusion de 1967-68 (refondue) définit une politique de radiotélédiffusion pour le Canada, institue le CRTC chargé de délivrer les permis nécessaires et de réglementer le système de radiotélédiffusion et attribue à Radio-Canada la responsabilité d'assurer un service de radiotélédiffusion tel que défini dans la politique de radiotélédiffusion. Bien qu'aucune mention particulière n'y soit faite de la câblodiffusion, le CRTC, en fait, réglemente également ce secteur de l'industrie de la télévision, dans la mesure où l'exploitation de leurs récepteurs requiert l'obtention préalable d'un permis délivré par le CRTC. Par la force des choses, la câblodiffusion fait donc partie intégrante du système de radiotélédiffusion.

La présente étude tend à démontrer que le système actuel n'est plus déterminé par la politique établie en vue de concrétiser les dispositions de la loi.

La loi devrait être modifiée et mieux refléter les options des Canadiens dans le domaine de la radiotélédiffusion, le contingentement harmonieux de ses services, ainsi que la réglementation.

Il est évident que les Canadiens bénéficient de plus en plus de systèmes différents de diffusion. La loi ne rend pas compte d'une telle hétérogénéité. Bien que la Loi sur la radiodiffusion spécifie que la juridiction fédérale est prééminente en matière de radiotélédiffusion, le système qui s'est développé semble ouvrir grandes les portes à une participation provinciale. Une approche rationnelle devrait permettre d'adapter la réalité aux progrès techniques.

De toute évidence, un nombre croissant de Canadiens n'hésiteraient pas à appuyer un projet modifiant le système actuel. Si la tendance actuelle se confirme, une majorité de Canadiens bénéficieront, dès 1978, d'un système dont les grandes lignes auront du mal à rappeler les dispositions de la loi, d'autant plus que les services seront fournis le plus souvent par les exploitants dont le rôle n'y est même pas pris en considération. Qui plus est, ces exploitants, dans l'exercice même de leurs activités, ont recours à des procédés techniques

qui semblent échapper à l'autorité de la loi, pour relever plutôt de la compétence provinciale.

En novembre 1976, le ministre des Communications, l'Honorable Jeanne Sauvé, devait saisir la Chambre des Communes d'un projet d'accord entre le gouvernement fédéral et la province du Manitoba; ce document pourrait servir de base pour la signature de conventions similaires avec les autres provinces (voir annexe B). L'accord prévu avec le Manitoba réserve à la province la tâche d'implanter des installations de télécommunication devant servir à la transmission d'émissions câblodiffusées, et attribue à l'autorité fédérale la responsabilité du contenu de ces émissions.

Une fois le projet approuvé par les deux parties, le Manitoba accordera la priorité à la construction et à l'utilisation de matériels de diffusion en vue de câbler la province, alors que le matériel diffusé, y compris la télévision payante, sera fourni par des exploitants dûment agréés par les autorités fédérales. Sous ces conditions, un programme de télévision, même s'il n'est pas transmis par voie hertzienne, constitue une émission "télédiffusée".

Si le ministre réussissait à conclure des conventions similaires avec les autres provinces, la voie de la révision de la loi serait ouverte. Le ministre semble croire que cette question revêt une certaine urgence. Si tant est qu'un système nouveau et rationnel de télédiffusion doit être mis sur pied au Canada, c'est le moment ou jamais de discuter du système qui répondrait le mieux aux exigences canadiennes.

Toutes ces considérations s'inscrivent en filigrane dans le contexte du fédéralisme canadien. L'arrivée au pouvoir, au Québec, d'un gouvernement intimement convaincu qu'un Québec meilleur n'est possible qu'en dehors de toute fédération rend urgent, pour tous ceux qui ne partagent pas ce point de vue, la nécessité de façonner les instruments d'une meilleure compréhension et de la tolérance, permettant d'apprécier les deux cultures principales caractérisant le Canada. Un système différent de télédiffusion, régi par un organisme non moins canadien, serait mieux à même de promouvoir un service d'intérêt public des plus actuels.

L'évolution du système de télédiffusion canadien

actuel aboutissant à la création de Télévision Canada pourrait ne pas se dérouler selon le processus de transformation décrit dans ces pages. Si l'esprit du projet de convention entre le gouvernement fédéral et les organismes de télécommunication du Manitoba devait présider à tout développement ultérieur en la matière, il est certain que le gros des suggestions de la présente étude serait pris en considération. Moins le gouvernement fédéral sera financièrement sollicité dans le but de câbler le pays, et plus les autorités provinciales encourageront les investissements dans ce secteur. Mais la détermination du système de diffusion, relevant de la compétence du gouvernement fédéral, donnerait l'occasion d'examiner dans ses détails le système actuel, et de déterminer si son extension à l'ensemble du pays serait souhaitable, ou s'il ne vaudrait pas mieux lui substituer un autre système, présumé introduire une certaine amélioration, plus d'efficacité, et plus de souplesse.

Il sied mal de ne se préoccuper que de l'influence de la télévision sur les Canadiens, qu'on veuille mettre l'accent sur des problèmes tels que la violence, l'absence de programmes consacrés aux minorités, l'identité canadienne, la perfection ou la commodité. Une système ne peut pas contrôler ce qu'il ne décide ni ne produit.

Nous pourrions apporter de légères modifications sans changer de système, si ce système répondait effectivement aux attentes des Canadiens et rendait justice à la mosaïque culturelle composant la trame de la réalité canadienne.

Annexe A

Tableau A: Télévision Canada

Recettes approximatives des abonnements de 1978 à 1988

Année	Nombre d'abonnés			Recettes		Total (en milliers de dollars)
	Recettes annuelles approx. par abonné* (en dollars)	à la fin de l'année précédente (en milliers)	nouveaux abonnés au cours de l'année (en milliers)	des abon- nements au début de l'année (en milliers de dollars)	des nouveaux abonnements (en milliers de dollars)	
1976	75.00					
1977	79.50					
1978	84.27	2,900	500	244,400	21,100	265,500
1979	89.33	3,400	600	303,700	26,800	330,500
1980	94.69	4,000	600	378,800	28,400	407,200
1981	100.36	4,600	600	461,700	30,100	491,800
1982	106.38	5,200	600	553,200	31,900	585,100
1983	112.76	5,800	600	654,000	33,800	687,800
1984	119.52	6,400	600	764,900	35,900	800,800
1985	126.69	7,000	500	886,800	31,700	918,500
1986	134.29	7,500	150	1,007,200	10,100	1,017,300
1987	142.35	7,650	150	1,089,000	10,700	1,099,700
1988	150.89	7,800	150	1,176,900	11,300	1,188,200

* Calculées en supposant une hausse de six pour cent par an.

Tableau B: Télévision Canada

Frais d'entretien approximatifs de 1977 à 1978

Année	Frais par abonné* (en dollars)	Nombre de d'abonnés au début de l'année (en milliers)	Total (en milliers de dollars)	Bénéfice (10%) (en milliers de dollars)	Total bénéfices compris (en milliers de dollars)
1978	13.48	2,900	39,100	3,900	43,000
1979	14.29	3,400	48,600	4,900	53,500
1980	15.15	4,000	60,600	6,100	66,700
1981	16.06	4,600	73,900	7,400	81,300
1982	17.02	5,200	88,500	8,900	97,400
1983	18.05	5,800	104,700	10,500	115,200
1984	19.13	6,400	122,400	12,200	134,600
1985	20.28	7,000	142,000	14,200	156,200
1986	21.50	7,500	161,300	16,100	177,400
1987	22.79	7,650	174,300	17,400	191,700
1988	24.16	7,800	188,400	18,800	207,200

* Calculés en supposant une hausse de six pour cent par an.

Tableau C: Télévision Canada

Frais d'immobilisation projetés

Année	Nbre projeté de foyers reliés*		Par foyer-relié (en dollars)	Frais d'immobilisation**	
	Au cours de l'année (en milliers)	À la fin de l'année (en milliers)		Total par an (en milliers de dollars)	Cumulatif (en milliers de dollars)
					321,600***
1978	500	3,400	To end of 1977 150	75,000	396,600
1979	600	4,000	200	120,000	471,600
1980	400		200	80,000	591,600
	200		250	50,000	
	600	4,600		130,000	721,600
1981	600	5,200	250	150,000	871,600
1982	200		250	50,000	
	400		300	120,000	
	600	5,800		170,000	1,041,600
1983	600	6,400	300	180,000	1,221,600
1984	600	7,000	300	180,000	1,401,600
1985	500	7,500	300	150,000	1,551,600
1986	150	7,650	300	45,000	1,596,600
1987	150	7,800	300	45,000	1,641,600
1988	150	7,950	300	45,000	1,686,600

* Calculé en supposant une hausse de vingt pour cent par an jusqu'à ce que le nombre de foyers atteigne 8 000 000, puis une augmentation de 150 000 foyers par an.

** En tenant compte des lignes-mères et la diminution des abonnements.

*** Les frais à la fin de 1977 sont compris dans les chiffres de 1978 au tableau intitulé "Projection d'autofinancement".

Tableau D: Télévision Canada

Projection d'autofinancement de 1978 à 1988

Frais

Année	Diffusion nationale* (en milliers de dollars)	Immobilisation** (en milliers de dollars)	Diffusion locale Entretien (en milliers de dollars)	Émission et administration (en milliers de dollars)	Total (en milliers de dollars)
1977		396,600	(valeur des diminutions d'abonnements et des raccordements)		
1978	35,000	471,600	43,000	938,100	1,487,700
1979	35,000	120,000	53,500	994,400	1,202,900
1980	35,000	130,000	66,700	1,054,100	1,285,800
1981	35,000	150,000	81,300	1,117,300	1,383,600
1982	40,000	170,000	97,400	1,184,300	1,491,700
1983	40,000	180,000	115,200	1,255,400	1,590,600
1984	40,000	180,000	134,600	1,331,000	1,685,600
1985	40,000	150,000	156,200	1,410,900	1,757,100
1986	45,000	45,000	177,400	1,495,600	1,763,000
1987	45,000	45,000	191,700	1,585,400	1,867,100
1988	45,000	45,000	207,200	1,680,500	1,977,700
	470,000	1,686,600	1,357,800	14,932,000	18,446,400

* Service fourni par Telesat Canada.

** En tenant compte des lignes-mères et la diminution des abonnements; les frais à la fin de 1977 sont compris dans les chiffres de 1978.

*** Intérêts de dix pour cent par an sur le déficit moyen.

Recettes

Année	Souscriptions (en milliers de dollars)	Publicité (en milliers de dollars)	Affectations budgétaires de l'État (en milliers de dollars)	Total (en milliers de dollars)	Excédent (déficit)		
					Par an (en milliers de dollars)	Intérêts*** (en milliers de dollars)	Cumulatif (en milliers de dollars)
1977	* 265,500	355,200	438,500	1,059,200	(428,500)	21,000	(449,500)
1978	* 330,500	383,100	515,600	1,229,200	26,300	20,000	(443,200)
1979	* 407,200	412,500	608,500	1,428,200	142,400	15,000	(315,800)
1980	* 491,800	447,500	716,600	1,655,900	272,300	2,000	(43,500)
1981	* 585,100	482,500	844,400	1,912,000	420,300		376,800
1982	* 687,800	517,500	994,700	2,200,000	609,400		986,200
1983	* 800,800	552,500	330,000	1,683,300	(2,300)		983,900
1984	* 918,500	587,500	300,000	1,806,000	43,000		1,026,900
1985	1,017,300	622,500	200,000	1,839,800	76,800		1,103,700
1986	1,099,700	657,500	100,000	1,857,200	(9,900)		1,093,800
1987	1,188,200	692,500	100,000	1,980,700	3,000		1,096,800
1988	8,003,100	6,040,000	5,148,300	18,651,500	1,152,800	57,000	

Tableau E: Gestion Télévision Canada

Bénéfices nets d'exploitation

Année	Diffusion locale		Passage d'émissions commerciales **		Total (en milliers de dollars)
	Aménagement* (en milliers de dollars)	Entretien* (en milliers de dollars)	Représentation (en milliers de dollars)	Installations*** (en milliers de dollars)	
1978	7,500	3,900	24,900	44,300	80,600
1979	12,000	4,900	26,800	47,000	90,700
1980	13,000	6,100	28,900	49,800	97,800
1981	15,000	7,400	31,300	52,800	106,500
1982	17,000	8,900	33,800	56,000	115,700
1983	18,000	10,500	36,200	59,300	124,000
1984	18,000	12,200	38,700	62,900	131,800
1985	15,000	14,200	41,100	66,700	137,000
1986	4,500	16,100	43,600	70,700	134,900
1987	4,500	17,400	46,000	74,900	142,800
1988	4,500	18,800	48,500	79,400	151,200

* Dix pour cent des frais sont à la charge de Télévision Canada.

** Sept pour cent des recettes publicitaires sont versés à Télévision Canada.

*** Voir le tableau F.

Tableau F: Gestion Télévision Canada

Calcul des bénéfices nets réalisés sur la location d'installations

Année	Frais d'émission et de diffusion à la charge de TV Canada*	Frais de location d'installations**	Bénéfices nets réalisés sur la location d'installations***		Pour cent
	(en milliers de dollars)	(en milliers de dollars)	(en milliers de dollars)		
1978	895,700	295,600	44,300	Recettes	100
1979	949,400	313,300	47,000	Frais d'émission directs	50
1980	1,006,400	332,100	49,800	indirects	<u>13</u>
1981	1,006,800	352,000	52,800		63
1982	1,130,800	373,200	56,000		
1983	1,198,600	395,500	59,300	Frais d'administration	<u>22</u>
1984	1,270,500	419,300	62,900		85
1985	1,346,700	444,400	66,700	Bénéfices nets d'exploitation	<u>15</u>
1986	1,427,500	471,100	70,700		
1987	1,513,200	499,400	74,900		
1988	1,604,000	529,300	79,400		

* Calculés en supposant une hausse de 6% par an.

** Ces frais représentent 33% des frais d'émission et de diffusion.

*** Quinze pour cent des frais de location d'installations, d'après la répartition suivante des recettes:

Tableau G

Extrait de la LOI SUR LA RADIODIFFUSION 1967-68

2. Dans la présente loi

“Conseil” désigne le Conseil de la Radio-Télévision canadienne établi par la Partie II;

“entreprise de radiodiffusion” comprend une entreprise d’émission de radiodiffusion, une entreprise de réception de radiodiffusion et l’exploitation d’un réseau situé en tout ou en partie au Canada ou sur un navire ou un aéronef immatriculé au Canada;

“exploitation temporaire d’un réseau” désigne l’exploitation d’un réseau en ce qui concerne une certaine émission ou une série d’émissions s’étendant sur une période d’au plus un mois;

“licence de radiodiffusion” ou, aux Parties II et III,

“licence”, désigne une licence d’exploitation d’une entreprise de radiodiffusion, attribuée en vertu de la présente loi;

“Ministre” désigne, dans les Parties II et III, le secrétaire d’Etat du Canada;

“radiocommunication” désigne toute transmission, émission ou réception de signes, signaux, écrits, images, sons ou renseignements de toute nature, au moyen d’ondes électromagnétiques de fréquences inférieures à 3,000 gigacycles par seconde transmises dans l’espace sans guide artificiel;

“radiodiffuseur” désigne une personne autorisée par une licence du Conseil à faire exploiter une entreprise d’émission de radiodiffusion;

“radiodiffusion” désigne toute radiocommunication dans laquelle les émissions sont destinées à être captées directement par le public en général;

“réseau” comprend toute exploitation à laquelle participent deux ou plusieurs entreprises de radiodiffusion et où le contrôle de l’ensemble ou d’une partie des émissions ou des programmes d’émissions de toute entreprise de radiodiffusion participant à l’exploitation est délégué à un exploitant de réseau;

“Société” désigne la Société Radio-Canada établie par la Partie III;

“titulaire d’une licence” ou “titulaire” désigne une personne autorisée par une licence du Conseil à faire exploiter une entreprise de radiodiffusion. 1967-68, c. 25, art. 3.

Politique de la radiodiffusion pour le Canada

3. Il est, par les présentes, déclaré

a) que les entreprises de radiodiffusion au Canada font usage de fréquences qui sont du domaine public et que de telles entreprises constituent un système unique, ci-après appelé le système de la radiodiffusion canadienne, comprenant des secteurs public et privé;

b) que le système de la radiodiffusion canadienne devrait être possédé et contrôlé effectivement par les Canadiens de façon à sauvegarder, enrichir et raffermir la structure culturelle, politique, sociale et économique du Canada;

c) que toutes les personnes autorisées à faire exploiter des entreprises de radiodiffusion sont responsables des émissions qu’elles diffusent, mais que le droit à la liberté d’expression et le droit des personnes de capter les émissions, sous la seule réserve des lois et règlements généralement applicables, est incontesté;

d) que la programmation offerte par le système de la radiodiffusion canadienne devrait être variée et compréhensive et qu’elle devrait fournir la possibilité raisonnable et équilibrée d’exprimer des vues différentes sur des sujets qui préoccupent le public et que la programmation de chaque radiodiffuseur

devrait être de haute qualité et utiliser principalement des ressources canadiennes créatrices et autres,

e) que tous les Canadiens ont droit à un service de radiodiffusion dans les langues anglaise et française, au fur et à mesure que des fonds publics deviennent disponibles;

f) qu’il y aurait lieu d’assurer, par l’intermédiaire d’une corporation établie par le Parlement à cet effet, un service national de radiodiffusion dont la teneur et la nature soient principalement canadiennes;

g) que le service national de radiodiffusion devrait

(i) être un service équilibré qui renseigne, éclaire et divertisse des personnes de tous âges, aux intérêts et aux goûts divers, et qui offre une répartition équitable de toute la gamme de programmation,

(ii) être étendu à toutes les régions du Canada, au fur et à mesure que des fonds publics deviennent disponibles,

(iii) être de langue anglaise et de langue française, répondre aux besoins particuliers des diverses régions et contribuer activement à la fourniture et à l’échange d’informations et de divertissements d’ordre culturel et régional, et

(iv) contribuer au développement de l’unité nationale et exprimer constamment la réalité canadienne;

h) que, lorsqu’un conflit survient entre les objectifs du service national de radiodiffusion et les intérêts du secteur privé du système de la radiodiffusion canadienne, il soit résolu dans l’intérêt public mais qu’une importance primordiale soit accordée aux objectifs du service national de radiodiffusion;

i) que le système de la radiodiffusion canadienne devrait être doté d’un équipement de radiodiffusion éducative; et

j) que la réglementation et la surveillance du système de la radiodiffusion canadienne devraient être souples et aisément adaptables aux progrès scientifiques ou techniques; et que la meilleure façon d’atteindre les objectifs de la politique de la radiodiffusion pour le Canada énoncée au présent article consiste à confier la réglementation et la surveillance du système de la radiodiffusion canadienne à un seul organisme public autonome. 1967-68, c. 25, art. 2.

Tableau H: La câblodiffusion au Canada

Statistiques par abonné et par province au 31 août 1974

		Foyers					
		Câble		Territoire desservi		Province ²	
Province	Abonnés	Abonnés		Câble		Territoire desservi	
		Câble		Territoire desservi		Province	
	Total	Total	pourcentage	Total	pourcentage	Total	pourcentage
Ontario	1,230,393	1,775,940	69	1,885,652	94	2,540,000	74
Québec	514,091	605,170	85	639,759	95	749,000	85
Colombie-Britannique ³	466,963	1,057,487	44	1,166,955	91	1,764,000	66
Alberta	173,375	349,198	50	357,980	98	519,000	69
Nouvelle-Écosse	100,740	172,861	58	179,353	96	311,000	58
Manitoba	45,361	79,342	57	89,397	89	222,000	40
Nouveau-Brunswick	18,611	30,755	61	31,925	96	169,000	19
Saskatchewan	10,253	13,080	78	15,325	85	273,000	6
Terre-Neuve	310	310	100	480	65	125,000	—
Île-du-Prince-Édouard	—	—	—	—	—	30,000	—
TOTAL	2,560,057	4,084,143	63	4,366,826	94	6,703,000*	65

Préparé par la Direction générale de l'exploitation de la radiodiffusion d'après le rapport annuel du CRTC (4 août 1976)

1. Système ayant obtenu une licence au 31 août 1975; les chiffres indiquent les systèmes.

2. Statistique Canada (catalogue numéro 64-202).

3. Colombie-Britannique incluant les Territoires du Nord-Ouest et le Territoire du Yukon.

—: Chiffres négligeables

*Nota: Les chiffres ayant été arrondis, leur somme ne correspond pas nécessairement au total indiqué.

Extrait du rapport annuel 1975-1976 du CRTC

Tableau I: La câblodiffusion au Canada

Sommaire des opérations financières de l'industrie de la diffusion de la radio et de la télévision privées pour l'année 1975
(avec des données comparatives pour l'année 1974)

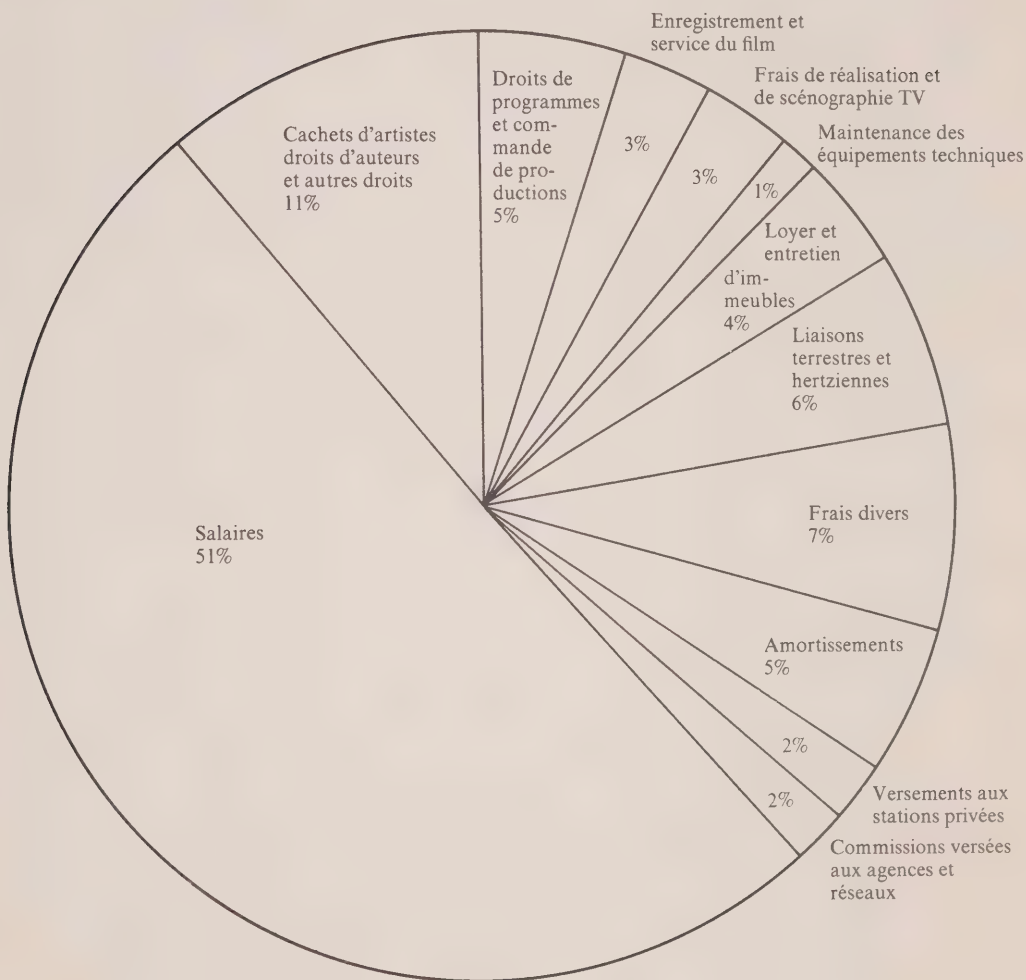
	(\$ Millions)								Pourcentage des recettes totales							
	Télévision		Radio		Câble		Total		Télévision		Radio		Câble		Total	
	1975	1974	1975	1974	1975	1974	1975	1974	1975	1974	1975	1974	1975	1974	1975	1974
Total, recettes d'exploitation	228	194	209	183	161	133	598	510	100	100	100	100	100	100	100	100
Dépenses																
Émission	93	89	59	50	6	5	158	144	41	46	28	27	4	4	26	28
Services techniques	20	18	9	8	35	27	64	53	9	9	4	4	22	20	11	10
Ventes	22	20	43	39	8	7	73	66	9	10	21	21	5	5	12	13
Administration	41	34	59	49	37	27	137	110	18	18	28	28	23	20	23	22
Amortissement	11	11	6	6	33	29	50	46	5	5	3	3	20	20	8	9
Intérêts	5	4	5	4	14	11	24	19	3	2	2	2	8	8	4	4
Total	189	171	179	154	131	106	499	431	83	88	85	84	81	80	83	85
Revenu avant impôts sur le revenu	39	23	30	29	30	27	99	79	17	12	15	16	19	20	17	15
Provision pour impôts sur le revenu	24	18	13	13	15	13	52	44	11	10	7	7	9	10	9	8
Revenu après impôts sur le revenu	15	5	17	16	15	14	47	35	6	2	8	9	10	10	8	7
Immobilisations brutes utilisées	182	157	105	99	358	320	645	576								
Nombre total des employés	5,226	5,052	7,568	7,330	4,155	3,764	16,949	16,146								

*Préparé par la Direction générale de l'exploitation de la radiodiffusion.

Extrait du rapport annuel 1975-1976 du CRTC.

Tableau J

Frais d'exploitation de la Société Radio-Canada pour la télévision et la radio
 Rapport annuel 1975-1976 de Radio-Canada
 Ventilation des frais bruts d'exploitation Année terminée le 31 mars 1976



Note: Les Jeux olympiques d'été 1976 sont exclus.

Tableau K

Rapport annuel 1975-1976 du CRTC

Avec permission CRTC

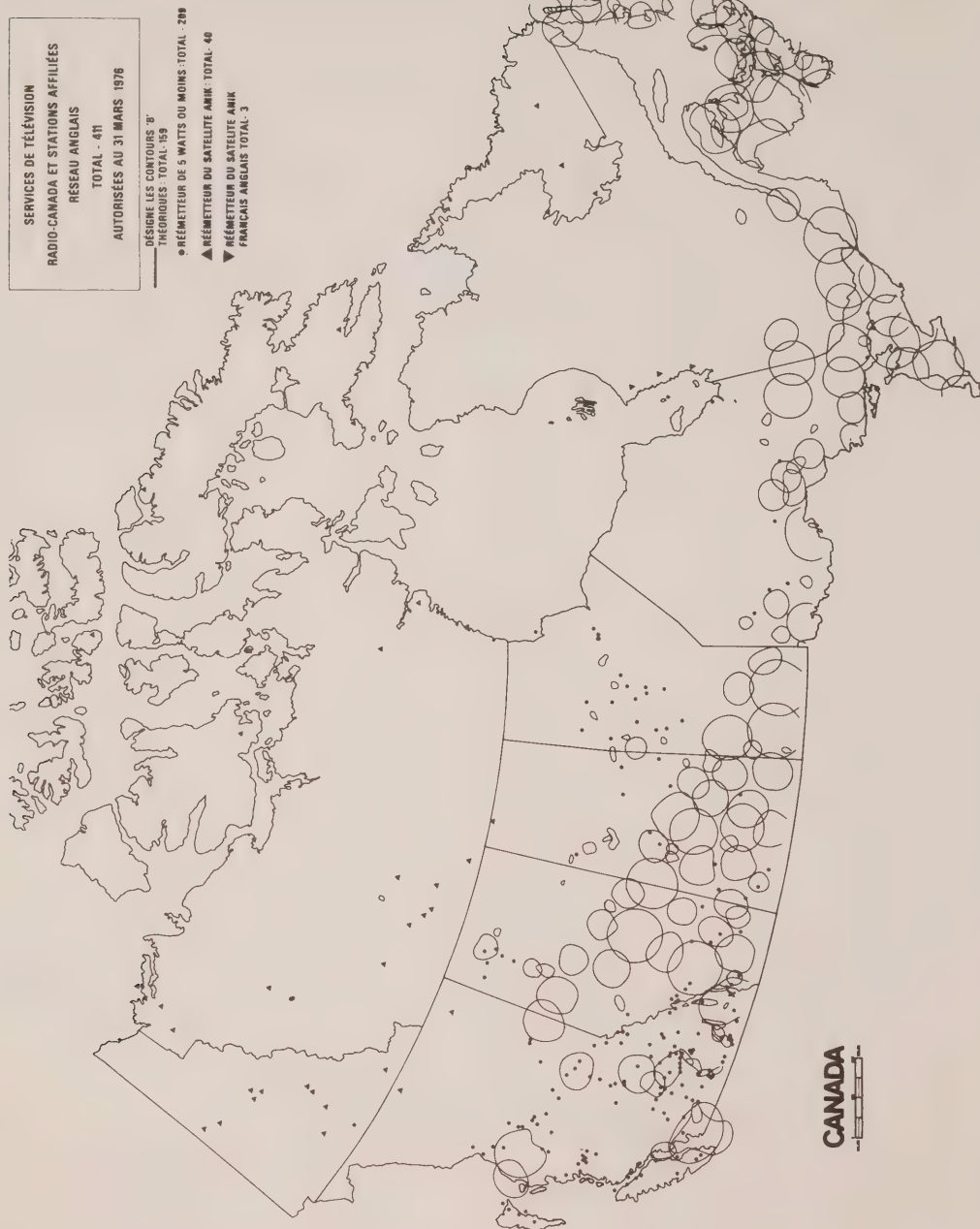


Tableau L

Rapport annuel 1975-1976 du CRTC

Avec permission CRTC

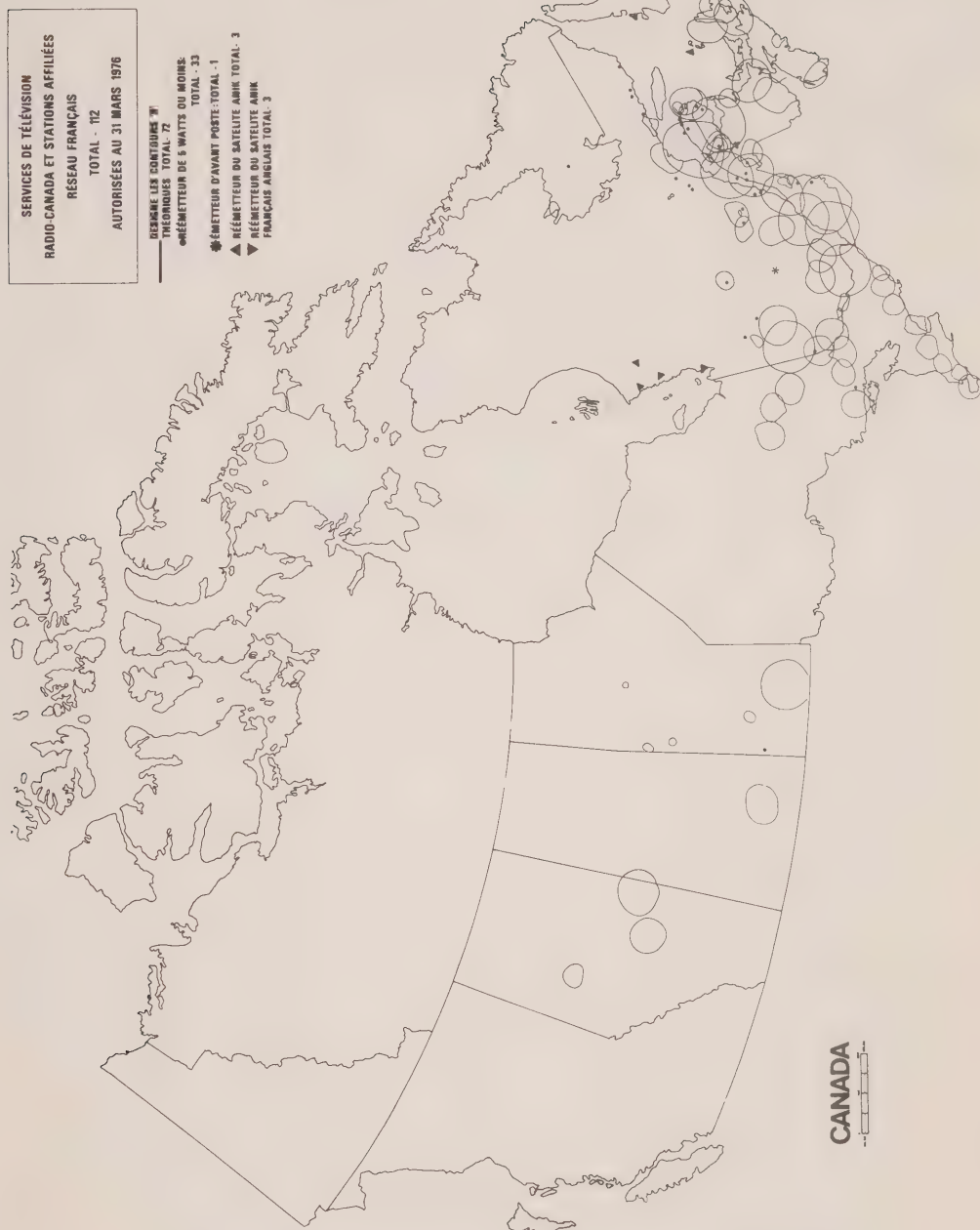


Tableau M

Rapport annuel 1975-1976 du CRTC

Avec permission CRTC

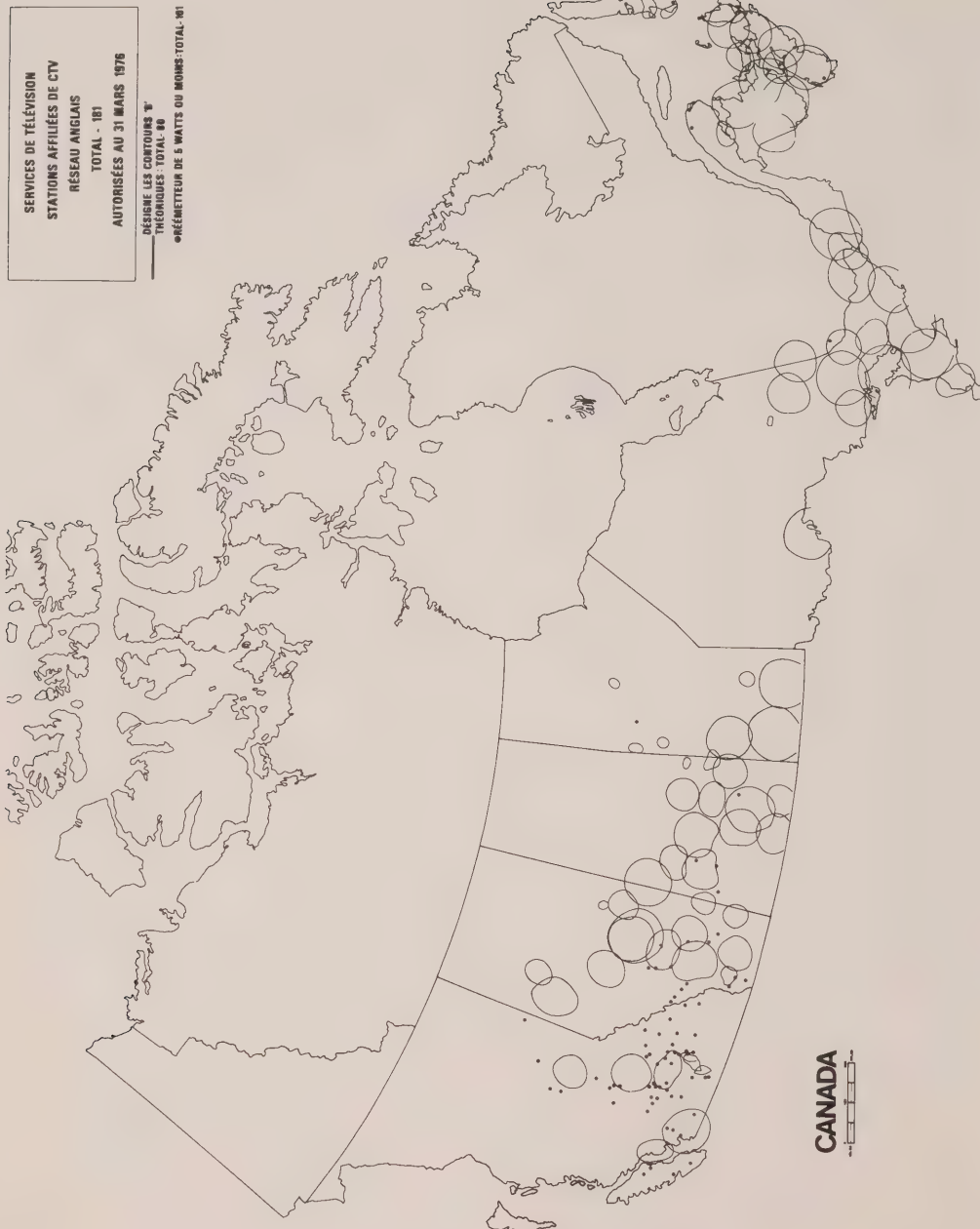


Tableau N

Rapport annuel 1975-1976 du CRTC

Avec permission CRTC



Tableau O

Rapport annuel 1975-1976 du CRTC

Avec permission du CRTC



Annexe B

Projet de convention entre le Gouvernement du Canada et la Province du Manitoba (déposé à la Chambre, novembre 1976).

Convention Passe en Deux Originaux Le 1976
Entre:

Sa Majesté La Reine du chef du Canada, représentée par le ministre des Communications, Le Canada.

et:

Sa Majesté La Reine du chef du Manitoba, représentée par le ministre des Consommateurs, des Compagnies et des Services Intérieurs, La Province.

Préambule

Attendu que la régie et la supervision de tous les aspects du réseau de radiotélédiffusion canadien relèvent du Canada;

Attendu que la régie et la supervision des services de télécommunication que fournit le Manitoba Telephone System ou tout autre organisme assujéti de même nature (ci-après appelés l'organisme de télécommunication) relèvent de la Province;

Attendu que le réseau de radiotélévision canadien est unifié et qu'il inclut des entreprises réceptrices d'émissions radiodiffusées qui utilisent des dispositifs et installations appartenant à l'organisme de télécommunication ou contrôlés par lui;

Attendu que lesdits dispositifs et installations que l'organisme de télécommunication utilise ou peut utiliser pour fournir des services de transmission collective peuvent aussi l'être par les entreprises réceptrices d'émissions radiodiffusées du Manitoba;

Attendu qu'il est souhaitable que le Canada et la province s'entendent mutuellement sur les droits et obligations des entreprises réceptrices d'émissions radiotélédiffusées ainsi que sur ceux de l'organisme de télécommunication en rapport avec l'utilisation commune desdits dispositifs et installations afin que les unes ainsi que l'autre puissent fournir leurs propres services au public manitobain;

Attendu qu'il est entendu que la présente convention a été conclue sous réserve de la position ultérieure des parties quant à leurs compétences respectives après la résiliation de la présente convention;

Le Canada et la province conviennent mutuellement de ce qui suit:

Article I – Interprétation

Au sens de la présente convention:

le terme "*autorisé*" signifie détenant un permis ou tout autre autorisation du Canada;

le terme "*Canada*" inclut tout organisme mandataire du Gouvernement du Canada;

le terme "*Distribution*" inclut la transmission ou le transport;

L'expression "*Dispositifs et installations de l'organisme de télécommunication*" signifie les dispositifs et installations appartenant à l'organisme de télécommunication ou contrôlés par lui;

l'expression "*service de programmation*" ou le terme "*programmation*" signifie tout son et toute image (y compris leur fourniture) transmis au public en utilisant des installations de télécommunication et ayant pour but d'informer, d'instruire

ou de distraire, ou dont la nature, le caractère et la substance sont similaires à ceux normalement fournis par les installations de radiotélédiffusion et peuvent raisonnablement être considérées comme pouvant influencer l'atteinte des objectifs du réseau de radiotélédiffusion canadien. A titre d'éclaircissement, mais sans limiter la portée de ce qui précède, les services de programmation incluent la programmation pour diffusion générale, la programmation pour télévision payante et la programmation locale ou communautaire, mais ils ne comprennent pas les services de point à point, ni les services de téléconférence ou de téléachat;

"*Modification du signal*" signifie toute amélioration de la qualité ou toute modification de la forme des ondes avant la distribution du signal par l'intermédiaire des dispositifs et installations de l'organisme de télécommunication, ainsi que tout changement du contenu de l'information.

Article II – Services de programmation

La régie et la supervision des services de programmation, y compris ceux distribués au Manitoba par l'intermédiaire des dispositifs et installations de l'organisme de télécommunication, relèvent exclusivement du Canada.

Article III – Autres services

La régie et la supervision des services de télécommunication, autres que les services de programmation, distribués au Manitoba par l'intermédiaire des dispositifs et installations de l'organisme de télécommunication relèvent exclusivement de la province.

Article IV – Radiocommunications

Nonobstant les dispositions de l'article III, le développement et l'exploitation ordonnés des radiocommunications au Canada relèvent du Canada.

Article V – Conventions relatives au matériel de cablodiffusion

Toute entreprise réceptrice d'émissions pour diffusion générale peut, dans le but de fournir au public des services de programmation autorisés, louer auprès de l'organisme de télécommunication les installations et dispositifs nécessaires, à l'exception du matériel de modification des signaux, du matériel de studio, des modulateurs de canaux, ainsi que d'antennes et des têtes de ligne, étant entendu que les conditions auxquelles ces installations et dispositifs sont fournis par l'organisme de télécommunication seront celles convenues entre celui-ci et l'entreprise conformément aux lois.

Article VI – Désaccords

La province convient de faire le nécessaire pour que, en cas de désaccord sur les termes, conditions ou tarifs applicables à l'utilisation des dispositifs et installations de l'organisme de télécommunication pour fournir des services de programmation autorisés, le différend soit tranché par l'organisme de régie compétent qui relève d'elle, et de telle façon que les termes, conditions ou tarifs soient justes, raisonnables et conformes à l'intérêt public.

Article VIII – Normes techniques

L'adoption et l'application des normes techniques applicables aux dispositifs et installations utilisés pour fournir des services de programmation relèvent du Canada.

Article VIII – Canaux: capacité et priorité

La province convient de faire le nécessaire pour que l'organisme de télécommunication puisse fournir sans difficulté des moyens de transmission d'une capacité suffisante pour permettre la distribution de tous les services de programmation autorisés qui utilisent ses dispositifs et installations, étant entendu que la distribution desdits services de programmation a, dans cette utilisation, priorité sur celle d'autres services.

Article IX – Extension des services

Bien que le choix du moment et des conditions d'introduction des services de programmation dans les diverses localités du Manitoba continue de relever du Canada, celui-ci et la province conviennent de coopérer afin d'assurer la fourniture ordonnée, au Manitoba, de services de programmation et autres qui utilisent les installations et dispositifs de l'organisme de télécommunication.

Article X – Exclusivité

La Province convient de faire le nécessaire pour que l'organisme n'autorise l'utilisation de ses installations et dispositifs que pour la distribution de services de programmation par les entreprises, entités ou particuliers autorisés par le Canada.

Article XI – Révisions et modifications

Les dispositions de la présente convention pourront être révisées conjointement, à la demande de l'une ou de l'autre partie, et peuvent être modifiées en tout temps par entente mutuelle.

Article XII – Résiliation

La présente convention peut être résiliée par l'une ou l'autre partie sur préavis d'un an.

En foi de quoi les parties ont signé la présente convention pour le Gouvernement de la _____ pour le Gouvernement du Canada province du Manitoba.

Le ministre des consommateurs, _____ le ministre des communications des campagnes et des services intérieurs.

Constitutional Jurisdiction Over Violence in the Mass Media Industries

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Terms of Reference

The Royal Commission on Violence in the Communications Industry was established by the Government of Ontario by an Order in Council dated May 7, 1975. The task the Commission was charged with was to study violence in the communications industry, and, ultimately, "to make appropriate recommendations, if warranted, on any measures that should be taken by the Government of Ontario, by other levels of Government, by the general public and by the industry". Thus, the Commission's recommendations are not to be confined to matters falling within the constitutional jurisdiction of the province of Ontario. I am instructed that the governments of other provinces, and of Canada, are interested in the work of the Commission and may well be receptive to recommendations designed to reduce the level of violence in those aspects of the communications industry that are outside the jurisdiction of the province of Ontario. Nevertheless, it is obviously essential to ascertain the boundaries of constitutional jurisdiction in order to determine how much can be accomplished at home in Ontario, and which matters must be remitted to authorities outside the province for consideration.

This study was commissioned by The Royal Commission on Violence in the Communications Industry in a letter dated May 21, 1976 from Mr. C.K. Marchant, the Commission's Director of Research. The scope of the study is set out in that letter as follows:

The purpose of this project is to analyze and report on the constitutional jurisdictions of the Canadian federal and provincial powers to regulate or control violent content in mass media, or to affect mass media content and behaviour with a view to altering the nature or amount of depictions of violence.

The mass media industries to be included are: films, radio and television broadcasting; cable television; pay television; videotapes and videodiscs; newspapers; magazines; books; records; and public performances involving the use of mass media materials, such as live theatre and rock concerts. Production, importation and distribution or other dissemination and audience consumption, access or exposure are to be included.

The analysis should include those governmental policy possibilities identified on pages III-29 to III-34 inclusive of the *Interim Report* of the Royal Commission, a copy of which is attached. In addition, the following legislative approaches should be considered: statutory basis for industry self-regulation, perhaps analogous to that enjoyed by the legal profession; content classification systems; use of taxation approaches as a regulatory device; regulation of films shown on broadcast television; regulation of advertisements for films on broadcast media; any other policy approaches which you consider it appropriate to include.

What is perhaps not explicit in the foregoing, but was emphasized orally to me by the Commission, is that my instructions were not to argue the case for extensive provincial jurisdiction over the mass media industries. On the contrary, I was instructed to study the relevant constitutional law and give my unbiased opinion as to the correct boundaries of jurisdiction. As will emerge in the following text, there are many unsettled questions

about constitutional jurisdiction over the media. On each of these questions, arguments can be advanced for provincial jurisdiction and other arguments can be advanced for federal jurisdiction. On such questions I have indicated the arguments on both sides, but I have also indicated which view appears to me to be stronger. On some questions, my own view favours provincial jurisdiction; on others, federal jurisdiction. But on every question I have attempted to give a dispassionate opinion.

The British North America Act

Throughout this paper there will be constant reference to the provisions of the British North America Act, 1867, which is of course Canada's Constitution. The important sections of the Act are ss. 91, 92 and 93. For future reference, the salient parts of those sections are reproduced below.

91. It shall be lawful for the Queen, by and with the Advice and Consent of the Senate and House of Commons, to make Laws for the Peace, Order and good Government of Canada, in relation to all Matters not coming within the Classes of Subjects by this Act assigned exclusively to the Legislatures of the Provinces; and for greater Certainty, but not so as to restrict the Generality of the foregoing Terms of this Section, it is hereby declared that (notwithstanding anything in this Act) the exclusive Legislative Authority of the Parliament of Canada extends to all Matters coming within the Classes of Subjects next herein-after enumerated; that is to say, -

2. The Regulation of Trade and Commerce.

3. The raising of Money by any Mode or System of Taxation.

27. The Criminal Law, except the Constitution of Courts of Criminal Jurisdiction, but including the Procedure in Criminal Matters.

29. Such Classes of Subjects as are expressly excepted in the Enumeration of the Classes of Subjects by this Act assigned exclusively to the Legislatures of the Provinces.

And any Matter Coming within any of the Classes of Subjects enumerated in this Section shall not be deemed to come within the Class of Matters of a local or private Nature comprised in the Enumeration of the Classes of Subjects by this Act assigned exclusively to the Legislatures of the Provinces.

92. In each Province the Legislature may exclusively make laws in relation to Matters coming within the Classes of Subject next herein-after enumerated that is to say, -

2. Direct Taxation within the Province in order to the raising of a Revenue for Provincial Purposes.

10. Local Works and Undertakings other than such as are of the following Classes: -

(a) Lines of Steam or other Ships, Railways, Canals, Telegraphs, and other Works and undertakings connecting the Province with any other or others of the Provinces, or extending beyond the Limits of the Province;

(b) Lines of Steam Ships between the Province and any British or Foreign Country;

(c) Such Works as, although wholly situate within the Province, are before or after their Execution declared by the Parliament of Canada to be for the general Advantage of Canada or for the Advantage of Two or more of the Provinces.

13. Property and Civil Rights in the Province.

14. The Administration of Justice in the Province, including the Constitution, Maintenance, and Organization of Provincial Courts, both of Civil and of Criminal Jurisdiction, and including Procedure in Civil Matters in those Courts.

15. The Imposition of Punishment by Fine, Penalty, or Imprisonment for enforcing any Law of the Province made in relation to any Matter coming within any of the Classes of Subjects enumerated in this section.

16. Generally all Matters of a merely local or private Nature in the Province.

93. In and for each Province the Legislature may exclusively make laws in relation to Education, . . .

Distribution of Legislative Power

Legislative power in Canada is distributed between the federal Parliament and the provincial Legislatures by the British North America Act. The three principal sections of the BNA Act are ss. 91, 92 and 93, which have just been set out in part. Section 91 lists a number of classes of subjects within the exclusive legislative power of the federal Parliament; section 92 lists other classes of subjects within the exclusive legislative power of the provincial Legislatures. The possibility of a gap in legislative power is obviated by the opening words of s. 91, which give to the federal Parliament the power "to make laws for the peace, order and good government of Canada, in relation to all matters not coming within the classes of subjects by this Act assigned exclusively to the Legislatures of the Provinces". This language makes clear that the residue of legislative power – over those matters not specifically listed – falls within the peace, order and good government power of the federal Parliament.¹

For the purpose of this paper, the following powers should be especially noticed. On the federal side, the peace, order and good government (hereinafter, "p.o.g.g.") power has been given as a justification for federal jurisdiction over radio and television and, occasionally, over civil liberties generally. Still on the federal side, s. 91(29) confers on the federal Parliament the power to make laws in relation to matters "expressly excepted" from the provincial list. This is a reference to s. 92(10) which, by paragraph (a), excepts from provincial power "works and undertakings connecting the province with other or others of the provinces, or extending beyond the limits of the province". This power over interprovincial works and undertakings gives to the federal Parliament its authority over much interprovincial transportation and communications (railway, bus, truck and telephone services, for example); it has been given as a further justification for federal jurisdiction over radio and television. Finally, on the federal side, is the power to enact criminal law under s. 91(27). This power has been suggested (as well as the p.o.g.g. power) as giving jurisdiction to the federal Parliament over civil liberties in general and censorship in particular.

Turning to the provincial list, the principal powers for our purposes are those over "local works and undertakings" in s. 92(10), over "property and civil rights in the province" in s. 92(13), and over "matters of a merely local or private nature in the province" in s. 92(16). Generally speaking, the regulation of local transportation or communications systems are within provincial power under s. 92(10), and the regulation of business, and of entertaining and cultural events, is within provincial power under either or both of ss. 92(13) and 92(16). In addition, the provincial legislatures have the control over education, under s. 93.

Despite the fact that the BNA Act describes each list of powers as exclusive to the legislative body to which it is assigned, there is considerable scope for overlapping of power. A particular event or organization will usually be subject to both federal and provincial laws – for example, a hockey game will in most respects be governed by provincial laws, because it is a local event, but all participants will be covered by the federal Criminal Code. If the game is broadcast on radio or television, the broadcast will come within federal regulation. This is an example of what constitutional lawyers call the "double-aspect doctrine". A particular set of facts will normally present two or more "aspects" that are relevant for constitutional purposes. The hockey game, from one aspect, is a local entertainment within s. 92(16) of the BNA Act; from another aspect it involves bodily contact, which could in certain circumstances be a criminal act within s. 91(27); and from yet another aspect it is the subject of an over-the-air broadcast, which is within the p.o.g.g. provisions of s. 91. In other words, the lines of constitutional jurisdiction drawn by ss. 91, 92, and 93 rarely follow precisely the factual boundaries of a particular event or industry.

The scheme of this paper will be to examine each of the media industries in order to determine where primary legislative jurisdiction over that industry lies. Thus, there are sections of the study dealing with films, live theatre, literature, records, radio, and television. Later sections deal with constitutional doctrines that cut across the boundaries of particular industries. Finally, the paper will examine the constitutional jurisdiction over each of the policy options suggested in the *Interim Report of The Royal Commission on Violence in the Communications Industry*.

Films

Movie houses, like most other businesses, come within the legislative competence of the provinces. Their locations, design and construction, safety and health requirements, the qualifications of projectionists and other personnel, the storage and rental of films, advertisements for film showings, times of showings, and ticket prices would all be matters within "property and civil rights in the province" (BNA Act, s. 92(13)), or "matters of a merely local or private nature in the province" (BNA Act, s. 92(16)), which could be

regulated by the province if it chose to do so. This conclusion is not affected by the fact that there are international and interprovincial elements of the film industry – for example, the films shown may be imported from other countries, and an individual movie house may be part of a chain stretching across the country. Each province is free to impose its own regime of regulation on the movie houses within its borders.

While most businesses in a province are chiefly regulated by the province, they are of course also bound by valid federal laws, of which the most pervasive is the criminal law. The manager of a movie house will, for example, be guilty of an offence under s.163 of the federal Criminal Code if he permits the showing of a film that is found to be “an immoral, indecent or obscene performance, entertainment or representation”. By the same token, a provincial law purporting to apply to a movie house, but which is “in pith and substance” a criminal law (or other law competent only to the federal Parliament), will be invalid. In other words, the distribution of legislative jurisdiction does not exactly follow the boundaries of a particular industry. Legislative jurisdiction over movie houses while it is predominantly provincial, is also partly federal.

The regulation of the *content* of movies (whether by censorship, classification coupled with compulsory age admission restrictions, Canadian content quotas, or by other means) is a matter close to the borderline between federal and provincial jurisdiction. This is true not only of movies, but also of books, magazines, comics, newspapers, records, and, of course, live theatre performances and concerts. Accordingly, I deal with the general topic of content regulation in a later section of this paper.² In the case of radio and television, it appears that the boundaries of federal legislative authority do approximate closely to the boundaries of the industry, and that virtually all aspects of the industry, including content, may be federally regulated.³

Live Theatre

By live theatre I mean all forms of stage production, including plays, vaudeville, and concerts. As in the case of movies, most aspects of live theatre are matters of property and civil rights in the province, or local matters, and are accordingly under provincial legislative authority under ss. 92(13) and 92(16) of the BNA Act. But the question of whether the province can regulate the content of a live production is a matter of controversy, depending on the same issues as apply to films and literature. The question is accordingly dealt with separately, later.⁴

Literature

By literature I mean all forms of written communication, including books, magazines, comics, and newspapers. The publication, distribution, and sale of all of these kinds of literature may be regulated by the province within which the publication, distribution, or

sale occurs. These are clearly matters within property and civil rights in the province. This conclusion is not affected by the fact that the publisher or distributor may be a nation-wide organization, or that the literature is destined for export to other provinces or countries, or that the literature was imported from other provinces or countries. On the other hand, assuming that content regulation is competent to the province, it could not be applied to literature mainly destined for readers out of the province: content regulation could be applied at the stage of publication only in the case of predominantly local literature, such as local newspapers or magazines, and would have to be applied at the stage of distribution in the case of books, national or foreign magazines, comics, and other material. But, as in the case of movies and live theatre performances and concerts, the question of legislative jurisdiction to regulate the content of literature is a vexed one; it receives separate general treatment later.⁵

Records

Under this heading I include records, tapes, videodiscs and videotapes. These are all in the same constitutional situation as literature.

Radio

National Dimensions of Radio Broadcasting

In the *Radio Reference* (1932),⁶ the Privy Council decided that the federal Parliament had (in the language of the order of reference) “jurisdiction to regulate and control radio communication, including the transmission and reception of signs, signals, pictures and sounds of all kinds by means of hertzian waves, and including the right to determine the character, use and location of apparatus employed”. This case probably settles the question of legislative jurisdiction over radio broadcasting in favour of the federal Parliament.⁷

In strictness, it must be pointed out that the legal basis for the *Radio Reference* decision admits of some doubt. The Privy Council gave two reasons for the decision. The first reason was the existence of a multi-lateral treaty that assigned radio frequencies among the various signatory states, one of which was Canada. In order to comply with this treaty it was necessary for the assignment of radio frequencies in Canada to be regulated by legislation. The Privy Council held that the power to enact this implementing legislation rested with the federal Parliament under the p.o.g.g. power in the opening words of s. 91 of the BNA Act.⁸ The second reason the Privy Council gave for its decision was that radio broadcasting was an undertaking extending beyond the limits of any one province, and was therefore within federal legislative competence under s. 92(10)(a) of the BNA Act.

The Privy Council's first reason – that the federal Parliament has the power to implement treaties as part of its p.o.g.g. power – was repudiated by a differently constituted Privy Council only five years later in the

Labour Conventions case (1937).⁹ In this case, the Privy Council rejected the concept of a treaty-implementing power and insisted that the power to enact legislation implementing a treaty could be either federal or provincial, depending upon whether the subject matter of the treaty fell within federal or provincial power.¹⁰ The *Labour Conventions* case has been sharply criticized, and it is possible that the Supreme Court of Canada may revert to the reasoning in the *Radio Reference*.¹¹ But unless and until that occurs, the *Labour Conventions* case must be treated as casting doubt on the validity of the first branch of the reasoning in the *Radio Reference*.

Even if we disregard the existence of the treaty (as dictated by *Labour Conventions*), it is likely that the p.o.g.g. power still gives the federal Parliament jurisdiction over radio broadcasting. The currently accepted definition of p.o.g.g.¹² was laid down by the Privy Council in the *Canada Temperance* case:¹³ p.o.g.g. will include any subject matter that “goes beyond local or provincial concern or interests and must from its inherent nature be the concern of the Dominion as a whole”. When this test was first articulated, their lordships cited the *Radio Reference* as a case that satisfied the test.¹⁴

Aeronautics is an interesting analogy. In the *Aeronautics Reference* (1932),¹⁵ the Privy Council held that the federal Parliament had jurisdiction over aeronautics. This decision was based primarily on the existence of a “British Empire treaty” governing aeronautics. In 1947, Canada denounced this treaty, and, accordingly, thereafter could no longer rely upon it as a basis of legislative competence.¹⁶ Nevertheless, in *Johannesson v. West St. Paul* (1951),¹⁷ the Supreme Court of Canada held that the federal Parliament still had the legislative competence under the *Canada Temperance* definition of p.o.g.g. Aeronautics, the court held, was an activity “which goes beyond local or provincial concern or interest and must from its inherent nature be the concern of the Dominion as a whole”. Most of the judges regarded this proposition as self-evident, but Locke J. referred to the volume of interprovincial and international traffic, to the use of aircraft as carriers of mail, and to the role of aviation in opening up and developing the nation.

Accepting, as we must, that aeronautics is within the p.o.g.g. power of the federal Parliament, it is clear that very similar – and perhaps even stronger – reasons can be advanced for allocating radio to the same head of power. The fact that radio signals do not respect provincial boundaries means that the limited range of frequencies cannot be assigned on a provincial basis. The role of radio both as an interprovincial and international communications link and as a force for national identity and unity also gives it an important national dimension. In *Re CFRB* (1973),¹⁸ the Ontario Court of Appeal decided that radio broadcasting was a matter within federal jurisdiction under the *Canada Temperance* definition of p.o.g.g., and they relied upon

the analogy of aeronautics.¹⁹ The Supreme Court of Canada refused leave to appeal.²⁰

Intraprovincial Broadcasting

The question of whether radio communication falls within p.o.g.g. or not is important in considering whether federal jurisdiction extends to purely intraprovincial radio broadcasting. Does the federal Parliament have authority over a radio station whose signals cannot be received outside the province? In the *Radio Reference* the Privy Council considered this question and decided it did.²¹ But they did so as part of their discussion of the p.o.g.g. power. If the only reason for federal jurisdiction over radio broadcasting was its character as an interprovincial undertaking – the Privy Council’s second reason for federal jurisdiction – then it might be thought that a radio station whose operations were genuinely intraprovincial would fall within provincial jurisdiction. Authority over most modes of transportation and communication – for example, telephone systems, pipelines, railways, and road transportation – is divided on this territorial basis: intraprovincial systems are within provincial jurisdiction as “local works and undertakings,” while interprovincial or international systems are within federal jurisdiction as “works and undertakings connecting the province with any other or others of the provinces or extending beyond the provinces.”²²

However, even if radio broadcasting were within federal jurisdiction only by virtue of the interprovincial undertaking power of s. 92(10)(a), there are some distinctive features of radio (and television) broadcasting that would tend to exclude provincial jurisdiction over even intraprovincial undertakings. An intraprovincial broadcaster must use the same kind of radio waves in the same frequency spectrum as an interprovincial broadcaster. The need to allocate space in the frequency spectrum, and to avoid interference, suggests that the power to regulate the interprovincial broadcaster must carry with it the power to regulate the intraprovincial broadcaster as well. In *Re Public Utilities Commission and Victoria Cablevision Ltd.* (1965),²³ a case later considered in detail in the discussion of cable television,²⁴ the British Columbia Court of Appeal appeared to regard the entire field of radio and television broadcasting as one huge interprovincial undertaking. In other contexts, the term “undertaking” in s. 92(10) has been interpreted as meaning a particular organization or enterprise.²⁵ In the context of radio and television broadcasting, the shared use of the frequency spectrum does give plausibility to the broader meaning attributed to the term “undertaking” by *Victoria Cablevision*.

If federal jurisdiction over radio (and television) broadcasting is grounded in p.o.g.g., as suggested above,²⁶ then the national dimension of radio broadcasting would probably sweep even purely local stations into the federal net. Once again, aeronautics affords an

analogy, because local airlines have to use the same ground facilities and the same airspace as interprovincial airlines; it is well established that a purely intra-provincial airline is within federal jurisdiction.²⁷ Since the better view is that radio broadcasting does fall within p.o.g.g., it seems that the *Radio Reference's* assertion of federal jurisdiction over intraprovincial broadcasting is probably good law. Certainly, the federal Broadcasting²⁸ and Radio²⁹ Acts assert federal regulatory jurisdiction over intraprovincial as well as interprovincial broadcasters.

Content Regulation

The *Radio Reference* was concerned with the technical aspects of transmitting and receiving radio signals. Because radio broadcasting takes place by means of electromagnetic waves of various frequencies, transmitted in space, and because only a limited number of frequencies are available, regulation is necessary to control the use of a scarce public resource; such regulation can be effective only at the national level. It follows that the Federal Parliament can regulate the "hardware" or "carrier systems" of radio broadcasting. The Privy Council was not asked to consider, and did not consider, whether or not the federal Parliament can also regulate the *content* of radio broadcasting.

In *Re CFRB* (1973),³⁰ the Ontario Court of Appeal had to determine the validity of a provision in the federal Broadcasting Act that prohibited any radio station from broadcasting "a program, advertisement or announcement of a partisan character" in relation to a federal, provincial, or municipal election on the day before the election. The Toronto radio station CFRB was prosecuted for a breach of this section, alleged to have occurred on the day before a provincial election. The station applied to prohibit the prosecution on the ground that the section was unconstitutional. The station argued that the federal Parliament's power over radio broadcasting did not extend to program content. The Ontario Court of Appeal rejected this argument. They held that

It would be flying in the face of all practical considerations and logic to charge Parliament with the responsibility for the regulation and control of the carrier system and to deny it the right to exercise legislative control over what is the only reason for the existence of the carrier system, i.e., the transmission and reception of intellectual material.³¹

The court concluded that "the exclusive legislative authority of Parliament with respect to radio communication extends to the control and regulation of the intellectual content of radio communication".³² It followed that the impugned section of the Broadcasting Act was valid. An application was made to the Supreme Court of Canada for leave to appeal this decision, and leave was refused.³³

The authority to regulate program content is a sufficiently vexed and complex issue that *Re CFRB* will probably not be the last word. But the decision has

attracted other judicial support,³⁴ and it appears to me to be good law. Once it is accepted that radio communication is a matter that, in the language of the *Canadian Temperance Federation* case, goes beyond local or provincial concern or interest and must from its inherent nature be the concern of the Dominion as a whole, then it becomes difficult to argue that program content should be a provincial matter. The federal Broadcasting Act³⁵ asserts a number of national objectives that imply the necessity to regulate program content. Thus, the Act asserts that all broadcasting undertakings in Canada "constitute a single system"; that the system should be owned and controlled by Canadians "so as to safeguard, enrich and strengthen the cultural, political, social and economic fabric of Canada"; that "the right to freedom of expression . . . is unquestioned"; that the programs provided by the system "should be varied and comprehensive and should provide reasonable, balanced opportunity for the expression of differing views on matters of public concern, and the programming provided by each broadcaster should be of high standard, using predominantly Canadian creative and other resources"; that programs should be available in both English and French; that a national broadcasting service should be provided "that is predominantly Canadian in content and character", that will actively contribute "to the flow and exchange of cultural and regional information and entertainment" and to "national unity" and "Canadian identity". The Act goes on to assert that the objectives of federal policy "can best be achieved by providing for the regulation and supervision of the Canadian broadcasting system by a single independent public authority." The authority referred to is the Canadian Radio-Television and Telecommunications Commission, which is established by the Broadcasting Act, and which, while lacking the power to censor particular programs, has extensive powers to make general regulations applicable to broadcasters respecting such matters as the allocation of broadcasting time to various points of view or kinds of programs, and to impose conditions upon the licences of particular broadcasters.

While the existing case law does not justify complete confidence in the constitutional validity of the federal assertion of jurisdiction over content of radio programs, the probable conclusion is that the assertion is justified: it is the federal Parliament that possesses the legislative power to regulate the content of radio programs. For reasons that will be explained later, this does not wholly exclude provincial legislative authority, but it probably excludes any unilateral provincial attempt to regulate violent content in, or to censor, radio programs. The same conclusions probably follow in respect of television.

Television

Broadcast Television

Television was almost unknown as a means of commu-

nication in 1932 when the *Radio Reference*³⁶ was decided. But it had been invented, and the reference to the court asked for its opinion as to the constitutional jurisdiction not only over sound radio, but also over the transmission and reception of “pictures” by means of hertzian waves. A report by the Minister of Justice that was placed before the court described television and included it in the term “radio”.³⁷ Thus, although their lordships of the Privy Council made no specific reference to television in their opinion, their answer to the question referred did literally apply to television as well as radio.³⁸ And, of course, the reasoning in the case applies with the same force to television as to radio. Broadcast television also utilizes electromagnetic waves in space, and its hardware or carrier system requires national regulation just as much as radio and for the same reasons. Moreover, the argument for national regulation of program content also has exactly the same force in relation to television as it has in relation to radio. It seems plausible to conclude that as goes radio, so goes television.³⁹ This is, of course, the policy of the federal government: the licensing and regulatory requirements of the Broadcasting⁴⁰ and Radio⁴¹ Acts apply to television as well as radio stations.

It is probable, once again, that the federal assertion of jurisdiction is justified; that is to say, it is the federal Parliament that has jurisdiction over broadcast television, including program content. The preceding discussion of radio is all relevant to broadcast television as well. Where television presents a new constitutional issue is in respect of cable television, and it is to that topic that we must now turn.

Cable Television

Cable television, or Cablevision, or Community Antenna Television (CATV), differs from broadcast television in that viewers receive their signals through a cable rather than through the air. A cable television system consists essentially of two parts. The first part is the “head end”, an antenna placed to pick up the signals from the television-broadcasting stations in the area; it includes equipment designed to improve and strengthen the signal. The second part of the cable system is the “distribution system”, the network of coaxial cable, strung along utility poles or buried underground, that carries the signal from the head end into the homes of subscribers who pay rent to the cable company for the service.⁴² The notable feature of a cable television system is that it does not require radio frequency space, because it only uses a receiving antenna. The transmitting occurs on the cable; this places a strict geographical limit on the range of the signals and ensures that the cable system’s signals cannot interfere with those of radio or television broadcasting stations or with those of other cable systems. It is also possible for programs to be locally produced and supplied on one or more “community channels” of the cable; such programs originate and terminate within the

local confines of the cable system. Even with respect to programs initially received by air on the head end, there is an argument that the cable system is a self-contained undertaking that is within provincial control as a local work or undertaking under s. 92(10) of the BNA Act.

In the *Radio Reference*,⁴³ it was argued by the provinces that even if radio transmitters had to be regulated federally because of the limitations of the radio-frequency spectrum, the receivers did not require regulation because they did not interfere with other users of the radio-frequency spectrum. The Privy Council refused to draw a distinction between transmitters and receivers. Their lordships held that, once it was determined that the transmitter came within federal control, the receiver “must share its fate”.⁴⁴

Broadcasting as a system cannot exist without both a transmitter and a receiver. The receiver is indeed useless without a transmitter and can be reduced to a nonentity if the transmitter closes. The system cannot be divided into two parts, each independent of the other.⁴⁵

And their lordships added, finally, that “a divided control between transmitter and receiver could only lead to confusion and inefficiency”.⁴⁶ This clear holding in the *Radio Reference* that transmitter and receiver must be treated as parts of one system for constitutional purposes appears to resolve any question about legislative jurisdiction over the head end or receiving apparatus of a cable television system: the jurisdiction must be federal.⁴⁷

If the cable system’s head end must be within federal jurisdiction, what of the distribution system – the cable network that pipes the signals from the head end into the homes where the television sets are located? Is this a separate local undertaking within provincial jurisdiction? The Court of Appeal of British Columbia in *Re Public Utilities Commission and Victoria Cablevision Ltd.* (1965)⁴⁸ answered no. In that case, the Public Utilities Commission of British Columbia, purporting to act under a provincial statute, had asserted regulatory authority over several cable television companies by demanding information from the companies regarding their subscribers, rates, and years of operation. The companies had refused to comply on the ground that their operations were outside provincial legislative jurisdiction. The Public Utilities Commission stated a case for the opinion of the British Columbia Court of Appeal. The Court of Appeal accepted that the *Radio Reference* had settled that “the receiving of the programs by air” was “beyond doubt” within federal legislative jurisdiction,⁴⁹ and the court held that the distribution of the programs by cable was not a separate local business. Sheppard J.A. held that the purpose of the cable network was simply to extend the effective range of the programs received by air; the rentals paid by the customers were paid for the programs – that is, for their receipt by the antenna (or head end) and their transmission to the customer, and not merely for the transmission by cable. If the programs had been trans-

mitted by air from the antenna to the customers, it would undoubtedly have been one undertaking and one business; it was "equally one undertaking though transmitted from the antenna by cable."⁵⁰ Maclean J.A. said that the cable system was "nothing more or less than an integral part of the receiving facilities."⁵¹ The other three judges all agreed with both Sheppard and Maclean J.A.⁵² Thus the court was unanimous in its view that the cable companies' businesses were parts of an indivisible communications undertaking within the legislative competence of the federal Parliament.⁵³

Where does the reach of federal power end? The reasoning of *Victoria Cablevision* would appear to grant federal regulatory jurisdiction over a television antenna on an apartment building with lead-in connections to individual apartments.⁵⁴ Indeed, it would extend much further: to an antenna on the roof of a detached house; to the "rabbit's ears" on an individual set; and to every individual television set that receives broadcast programs, whether by air or by cable. For example, the compulsory provision of pre-set locking devices on television sets (to enable parents to control in advance the hours of reception) would probably require federal legislation.

Even if we grant the most expansive possible interpretation of *Victoria Cablevision* – namely, that it declares that federal power follows broadcast signals all the way to the viewer's set, even when part of the journey is travelled by cable, the case is entirely silent about jurisdiction over the programs that are locally produced (or purchased in tape form) and fed onto a channel of the cable system directly from the studio. These "local programs" have never been broadcast and have not been received by the head end. So far as they are concerned, the cable system cannot be described as "an integral part of the receiving facilities",⁵⁵ and the reasoning of *Victoria Cablevision* has no obvious application. If we postulate a cable television system that carries only local programs, the purely local origin of all programs suggests the analogy of a closed-circuit television system of the kind commonly organized in a school or university, or even in a concert hall, theatre, or cinema, in which television is used to serve a spill-over audience in an adjoining hall. Here, there does not seem to be any plausible claim to federal jurisdiction.

What the cable companies actually supply, of course, is at most only a few "community channels" carrying local programs, and a larger number of channels carrying programs received from broadcast television stations. On the face of it, there would appear to be a strong argument for provincial jurisdiction over the local programs. There is, however, also a strong argument on the federal side of the case. So long as the cable system also provides broadcast programs, which is the existing situation, then it is arguable that the local programs are a part of one undertaking whose characteristics are predominantly interprovincial. The courts have not been willing, for example, to sever into two

undertakings a telephone company or a busline or a trucking company doing both local and long-distance business.⁵⁶ In each case the courts have held that a significant amount of regular interprovincial business turns the entire enterprise into an interprovincial undertaking.⁵⁷ It is likely that the court would view a cable television undertaking in the same light.

Reinforcing the case law is the practical difficulty of divided jurisdiction over a cable television undertaking, springing from the fact that a cable system can only deliver a limited number of channels.⁵⁸ The decision to establish and maintain a "community channel" could involve the giving up of a broadcast channel, and vice versa. Of course, it could be argued that the allocation of channels should be determined federally, while the content of at least the community channels should be regulated provincially. But this is not very plausible, since the allocation of channels will be based upon judgments about content – whether a particular channel should carry American or Canadian, or local or educational programs, and what mix of these programs should be provided by the system. The argument for treating content separately from the allocation of channels is like the argument for limiting the *Radio Reference*⁵⁹ to the assignment of frequencies and other technical aspects of radio. It will be recalled that in the *CFRB* case,⁶⁰ the Ontario Court of Appeal rejected the idea of dividing jurisdiction over radio, and the Supreme Court of Canada refused to leave to appeal. Naturally, the *CFRB* court did not address itself to the distinctive issues raised by cable television, but the tenor of the decision gives no ground for belief that the courts will draw distinctions for regulatory purposes between local and broadcast channels carried by a single cable system. It is much more likely that the courts will hold that the entire cable system is within federal jurisdiction, in respect of both technical matters and program content. This is, of course, the position of the federal government, because the Broadcasting and Radio Acts each regulates cable television companies, along with radio and broadcast television stations.⁶¹

The foregoing discussion is related to a cable television system that delivers to its subscribers a mix of local and broadcast programs. As explained earlier, there does not appear to be a strong case for the federal control of a cable television system that delivers exclusively local programs. I understand that there are no such systems in Canada at present, but they may well come into being, and new technology may produce systems that are exclusively local. It is true that intra-provincial broadcasting is probably within federal jurisdiction under the peace, order, and good government power. This was argued above in respect of radio, using the analogy of aeronautics,⁶² and the same considerations apply to broadcast television.⁶³ A similar argument could be made with respect to cable television, but there are some significant differences. A cable television system that carries only local programs differs

from a local airline or broadcasting station in that the cable system is self-contained. An intraprovincial airline must compete with interprovincial airlines for airport facilities and air routes. Similarly, an intraprovincial radio or television broadcaster must compete with interprovincial broadcasters for frequency space. Clearly, in both cases, the need to share facilities and the possibility of interference make unified control highly desirable if not essential. But a cable television system carrying only local programs is entirely self-contained; its signals originate within the cable system and are confined to the system by the cable. The system need not use any facilities in common with broadcasters or other cable systems, and its signals cannot interfere with any broadcast or cabled signals. There appears to be no basis for a federal assertion of jurisdiction, even if jurisdiction over radio and television generally is premised on the p.o.g.g. power, as is probably the case.⁶⁴ As argued above, the analogy with the exclusively local cable system is a closed-circuit system in a school or university, or a sport or theatre performance providing closed-circuit television coverage to a local spill over audience. In my opinion, the purely local cable system, or any new development that approximates to a local cable system, is within provincial jurisdiction as a local work or undertaking under s. 92(10) of the BNA Act.

Pay Television

The term "pay television" encompasses a variety of different systems, although they all bring their product to their customers by cable. Constitutional jurisdiction over pay television depends on the same considerations that apply to cable television generally.⁶⁵ In essence, this means that a self-contained, purely local, system will be within provincial jurisdiction, while a system that is added to the standard cable television mixed offering will be within federal jurisdiction.

At the time of writing, there appears to be only one pay television system in operation in Canada. This is a cable system in the Crescent Town condominium development in Metropolitan Toronto, which supplies recent feature films to subscribers. The subscriber calls for the desired movie by pressing a button: the system immediately sends the movie to his television set, and later on he is billed \$3.50 for the movie.⁶⁶ This system is not operated by a cable television company and does not use the cable network of any cable television company. It has its own network of cable, which it uses exclusively for the provision of the pay television programs. It is truly a closed-circuit system, supplying no broadcast programs whatever. As such it appears to be a purely local undertaking, and therefore outside federal legislative authority.⁶⁷ The fact that many or most of the films shown are foreign is constitutionally irrelevant, and does not detract from the local character of their exhibition.⁶⁸

The kind of pay television that seems likely to become prevalent in Canada will be supplied on one (or

more) of the channels of a cable television system. The "pay" channel, which would carry recent feature films, sporting events, and other programs, would be available to all those subscribers of the cable television service who paid an extra fee to receive this channel.⁶⁹ The pay channel would simply provide an addition to the mix of programs already available on the cable system. As such, it would probably not shift the constitutional jurisdiction away from the federal Parliament any more than the existence of a community channel shifts the jurisdiction. The probable attitude of the courts would be that the entire cable service, including broadcast, local, and pay channels, is a single undertaking entirely within the jurisdiction of the federal Parliament, both as to its technical aspects and its program content.⁷⁰

Provincial Jurisdiction over Radio and Television

Although broadcast radio and television and most cable television are, for the reasons given, within federal legislative authority, this does not wholly exclude provincial authority. While the legislative powers of the federal Parliament are described in s. 91 as "exclusive", and the provincial powers are similarly described in s. 92, the courts have developed the "double-aspect" doctrine, which introduces a substantial amount of concurrency. For example, a radio or television station would have to comply with provincial or municipal standards for the construction of its receiving equipment and premises;⁷¹ a cable television company would probably be subject to provincial or municipal regulation as to the laying of the cable, especially where this involves the use of municipal highways, utility poles, and airspace;⁷² and radio and television stations would undoubtedly have to pay provincial or municipal taxes.⁷³

It is even possible that some provincial regulation of program content is possible. The *CFRB* case⁷⁴ suggests one possibility. The radio station in that case was objecting to a provision in the federal Broadcasting Act that prohibits partisan broadcasts one day before a federal, a provincial, or municipal election. In fact, the infraction alleged against *CFRB* had occurred on the day before a provincial election. The Ontario Court of Appeal upheld the law as one in relation to radio-communication, despite the fact that it affected provincial elections.⁷⁵ Now, of course, the province has legislative authority over provincial and municipal elections.⁷⁶ It may be that a provincial law in relation to provincial or municipal elections could validly apply to regulate all news media, including radio and television, for the limited purpose of protecting the integrity of the electoral process.⁷⁷

However, even laws of general application, which are undoubtedly *intra vires* the province in most of their applications, cannot be applied to a federally regulated undertaking where their effect would be seriously to impair the federal undertaking. Thus, a province may impose upon an interprovincial busline speed limits and other rules of the road, but may not stipulate restric-

tions as to routes and places of picking up and putting down passengers; the latter power could sterilize the federal undertaking.⁷⁸ For the same reason, a provincial law may not require an interprovincial telephone company to obtain the consent of a municipality as a condition precedent to the supply of service in that municipality.⁷⁹ Provincial Mechanics' liens legislation cannot apply to an interprovincial pipeline because the legislation would authorize the break-up and sale of the pipeline.⁸⁰ And, in the most recent (and most extreme) application of this immunity, the Supreme Court of Canada has held that provincial minimum wage legislation cannot apply to the Bell Telephone Company, because labour relations are a "vital part" of the company's interprovincial undertaking.⁸¹

There is a case that holds that a provincial law may authorize a municipality to stop a cable television company from operating in the municipality. In *R. v. New Westminster; Ex parte Canadian Wirevision Ltd.* (1965)⁸² the British Columbia Court of Appeal held that a municipal council, purporting to act under a power conferred by the province's Municipal Act, could deny a trade licence to a cable television company that had been federally licensed to supply the municipality. The effect of the denial of the municipal trade licence was to preclude the cable company from servicing the municipality. The court held that the fact that the company was federally incorporated did not give it immunity from laws prohibiting it from carrying on a particular line of business. This is good law.⁸³ But what the court failed adequately to consider was the fact that the company was operating an undertaking within federal regulatory jurisdiction. As a federally regulated undertaking, it is immune from provincial laws that could sterilize the undertaking, and even from provincial laws applying to a vital part of the undertaking. For this reason, the case is generally agreed to be wrongly decided.⁸⁴

The true position, having regard to the cases cited earlier,⁸⁵ is that a province may not prohibit or impose serious restrictions on the entry of a cable television company to the province or to any municipality in the province, for this would be a power to sterilize a federal undertaking, or at least to affect a vital part of a federal undertaking. For the same reason, a province may not authorize municipal councils to license cable companies or impose any other requirements on them if the failure to obtain a licence or to fulfil other requirements would result in the company not being permitted to operate in the municipality. It follows, too – and indeed it has been decided – that any attempt to regulate subscriber rates or installation charges would be invalid as impairing a vital part of the undertaking.⁸⁶ Furthermore – and this is crucial to the paper – any regulation of program content that goes beyond very limited purposes would probably be invalid. There is no case law in this specific area, but it seems plausible to suggest that a province could require a radio or television station to make

certain public-service announcements. Whether a province could use its authority over provincial and municipal elections to impose program requirements on a radio or television station immediately prior to an election is much more dubious. Probably a province could not use its authority over education to require a radio or television operator to set aside a channel for educational use or to require other programming commitments.⁸⁷ Any program content, even if solidly based on an undoubted provincial power, would probably be held invalid as affecting a vital part of a federally regulated undertaking. A provincial attempt compulsorily to censor violence out of television or radio programs, or to remove violent programs from certain viewing hours, or to impose quotas, or otherwise to regulate program content to the end of reducing the depiction of violence, would almost certainly be invalid. Any such regulation would have to be federal.

Content Regulation in General

Introduction

The paper to this point has allocated each of the media to one or the other level of government. Thus, films, live theatre, literature, and records are all primarily within provincial jurisdiction. Radio and television, on the other hand, are primarily within federal jurisdiction. However, as has been emphasized throughout, these allocations are only a starting point in considering whether a particular legislative measure should be enacted by a provincial Legislature or the federal Parliament. Many legislative powers cut across the boundaries of the media. Some federal laws are applicable to films, live theatre, literature, and records, despite those media's primary provincial allocation; and some provincial laws are applicable to radio and television, despite those media's primary federal allocation.

Of special importance to this study is the theory that legislative jurisdiction over speech, the press, and religion – the expression of ideas – does not follow the boundaries of the media, but is always federal, no matter how local is the vehicle of expression. This theory is to be found in a number of important constitutional cases. This paper will now briefly describe some of these cases, will attempt to analyze the theories that run through them, and will attempt to assess the implications for regulating the depiction of violence in the media.

The Alberta Press Case

The first important case to articulate the proposition that the expression of ideas could not be controlled by a province was the *Alberta Press* case (1938).⁸⁸ This case concerned the constitutional validity of three bills enacted by the Legislative Assembly of Alberta,⁸⁹ which gave effect to some of the policies of the province's Social Credit government. The relevant bill for our purposes was entitled "An Act to Ensure the Publication of Accurate News and Information". This Press

Bill would have compelled every newspaper published in the province to publish any statement furnished to it by the chairman of the Social Credit Board, which had for its object the correction or amplification of any statement relating to any policy or activity of the government of the province that had already been published by the newspaper. The bill would have required every newspaper, upon being required by the chairman in writing, to disclose the sources of any information published. The bill would have given to the Lieutenant-Governor-in-Council the power to stop publication of any newspaper contravening the provisions of the statute.

The Supreme Court of Canada held that the Press Bill was invalid.⁹⁰ Five of the six judges gave as their primary reason that the bill was ancillary to and dependent upon the Alberta Social Credit Act and other social credit legislation. The entire scheme of social credit legislation was incompetent to the province as legislation in relation to currency, banking, and trade and commerce, all subject matters assigned to the federal Parliament. On this basis, the Press Bill fell with the rest of the legislation; its validity, apart from its association with other social credit legislation, did not have to be decided. For Kerwin, Crocket, and Hudson JJ., this was enough to dispose of the case. But Duff C.J., with whom Davis J. concurred, while making clear that his primary ground of decision was the ancillary point, went on to discuss the validity of the Press Bill as an independent enactment. Cannon, J., the remaining member of the court, was the only judge who did not rely on the ancillary point: he found the Press Bill invalid solely on independent grounds. It is his opinion and the dicta of Duff C.J. (and Davis J.) that are important for the purposes of this paper.

Both Duff C.J. and Cannon J. emphasized the fundamental importance of freedom of political discussion. Duff C.J. said that "the practice of this right of free public discussion of public affairs, notwithstanding its incidental mischiefs, is the breath of life for parliamentary institutions".⁹¹ Cannon J. said that "democracy cannot be maintained without its foundation: free public opinion and free discussion throughout the nation of all matters affecting the State. . . ."⁹² Both judges concluded that the importance to the nation as a whole of free public discussion was such that it should not be characterized as a local or private matter under s. 92(16) of the BNA Act, or as a civil right "in the province" under s. 92(13). It followed that it could not be substantially curtailed by a provincial law. In Cannon J.'s opinion, "the federal Parliament is the sole authority to curtail, if deemed expedient and in the public interest, the freedom of the press in discussing public affairs," and any such federal law would be valid as a "criminal law".⁹³ In Duff C.J.'s opinion, only "the Parliament of Canada possesses authority to legislate for the protection of this right [of free public discussion of public affairs]." ⁹⁴ Duff C.J. did not clearly commit

himself as to which head of federal legislative power would be applicable, but he appeared to assume that it would be the p.o.g.g. power.⁹⁵

The *Alberta Press* case shows that there are limitations on the provincial power to regulate newspapers, despite the fact that newspapers are primarily within provincial jurisdiction.⁹⁶ Duff C.J.'s reasoning starts from the explicit premise that newspapers are primarily within provincial jurisdiction:

Some degree of regulation of newspapers everybody would concede to the provinces. Indeed, there is a very wide field in which the provinces undoubtedly are invested with legislative authority over newspapers; but the limit, in our opinion, is reached when the legislation effects such a curtailment of the exercise of the right of public discussion as substantially to interfere with the working of the parliamentary institutions of Canada⁹⁷

For Duff C.J. the issue was one of degree: the province could regulate newspapers so long as its regulation fell short of a substantial interference with the working of parliamentary institutions.⁹⁸ To relate his view to the topic of this study, there is nothing in Duff C.J.'s opinion in the *Alberta Press* case that would cast doubt on the power of the province to censor or regulate the violence content of newspapers (or other local media); such regulation would have no – or very little – effect on political discussion in the newspapers or other media.

Cannon J.'s opinion can also be read as confined to provincial regulation for political ends, and as not essentially different from Duff C.J.'s opinion in this respect. Indeed, most of the opinion is expressly related to political discussion. However, one passage in the opinion could be read as indicating that any regulation of newspaper content from the viewpoint of public policy (as opposed to private rights, such as are protected by defamation laws) would be in pith and substance a criminal law, and therefore competent only to the federal Parliament.⁹⁹ On this broad basis, it would appear that the regulation of violence content in newspapers would be incompetent to the provincial Legislatures. I shall give my reasons later for believing that this reading of Cannon J.'s judgment is not good constitutional law,¹⁰⁰ but let us first look at the other leading cases.

The Saumur Case

The next important case on provincial authority over the expression of ideas is *Saumur v. City of Quebec* (1953),¹⁰¹ which concerned the constitutionality of a by-law of the City of Quebec that forbade the distribution of tracts or other written material in the city streets without the permission of the Chief of Police. It was agreed that the by-law was authorized by the literal language of the Quebec City Charter. The question was whether the Quebec Legislature had the constitutional power to authorize the City of Quebec to make the by-law, and that is the same question as whether the

Quebec Legislature had the constitutional power to enact such a law itself.

The *Saumur* case was one of a number of famous cases brought in the Quebec courts in the 1950s by Jehovah's Witnesses, alleging harassment of various kinds by various levels of government in the province. The Witnesses' grievance against this particular by-law was that it purported to prohibit their practice of distributing tracts in the streets of Quebec City. The Witnesses refused to seek the permission of the Chief of Police under the by-law, because they regarded the by-law as fundamentally opposed to their religious beliefs. However, if they had applied to the Chief of Police, it is reasonably clear that permission would not have been granted. On an application for permission to distribute written material in the streets, the normal practice of the Chief of Police was to examine the contents of the material to be distributed and to grant permission only if he found the contents acceptable. The tracts the Jehovah's Witnesses had been distributing in defiance of the by-law would have been found unacceptable, because they included attacks on the Roman Catholic Church that were not always moderate in tone and that had generated considerable excitement in the province.

Saumur was a Jehovah's Witness who brought an action in the Quebec courts against the City of Quebec, seeking a declaration that the by-law was invalid and an injunction restraining the City from interfering with the activities of the Witnesses. Saumur lost the case at trial and again on appeal to the Quebec appellate court. He then appealed to the Supreme Court of Canada, where his appeal was allowed by the narrow margin of five to four. Actually, only four judges – namely, Rand, Kellock, Locke, and Estey JJ. – held that the by-law was unconstitutional; five judges – namely Rinfret C.J., Kerwin, Taschereau, Cartwright, and Fauteux JJ. – held that it was constitutional; but Kerwin J. cast his vote with Rand, Kellock, Locke, and Estey JJ. because he decided that the by-law, although constitutional, was inoperative in its application to the Jehovah's Witnesses on the ground that their activities were protected by a pre-Confederation statute, the Freedom of Worship Act, which was in force in Quebec. This unique line of reasoning, although rejected by the other eight judges, became the basis of the court's order, because the other judges were evenly divided on the question whether or not the by-law was constitutional.¹⁰²

A preliminary issue in the case was the constitutional classification of the by-law. The four dissenting judges – namely, Rinfret C.J., Taschereau, Cartwright, and Fauteux JJ. – classified the by-law as a law in relation to the use of the streets and, on that basis, had no difficulty in holding that it was within the power of the province to enact.¹⁰³ The five majority judges – namely, Kerwin, Rand, Kellock, Estey, and Locke JJ. – disagreed with the minority's classification. Rand J. pointed out that, although the by-law could have been used simply to prevent traffic interference, to suppress nuisances, and

to reduce litter, it was in fact used to censor material proposed to be distributed; it followed in his view that the pith and substance of the by-law was in relation to "religion and free speech".¹⁰⁴ The other majority judges spoke in similar vein. Thus, Kellock J. said that the by-law was not enacted in relation to "streets" but in relation to "the minds of the users of the streets".¹⁰⁵ And all of the other majority judges made clear, either by express words or by the general tenor of their judgments, that they regarded the by-law as in relation to speech or religion.¹⁰⁶

For the majority judges who classified the by-law as in relation to the contents of the material to be distributed, as opposed to the physical act of distribution, it was necessary to decide where the legislative jurisdiction over speech and religion lay. Rand, Kellock, and Locke JJ. each quoted with approval the dicta of Duff C.J. and Cannon J. in the *Alberta Press* case,¹⁰⁷ discussed earlier,¹⁰⁸ and used those dicta as the basis for deciding that the by-law was incompetent to the province. Estey J. did not refer to the *Alberta Press* dicta, and he did not discuss freedom of speech at all, but he did hold that the practice of religion was outside the competence of the province, and that the by-law was therefore invalid.¹⁰⁹ Only Kerwin J. of the majority judges held that laws in relation to speech and religion were within provincial competence. He held that these rights were civil rights in the province within s. 92(13) of the BNA Act, and he expressly repudiated the dicta in the *Alberta Press* case.¹¹⁰ Kerwin J. therefore disagreed with the other majority judges and held that the by-law was valid. The reason he still cast his fifth and crucial vote with the judges who held the by-law to be invalid was explained earlier.¹¹¹ The four dissenting judges did not need to discuss jurisdiction over speech or religion, because they had not classified the by-law as dealing with speech or religion.¹¹² However, Cartwright J., with whom Taschereau J. concurred, gave his view, *obiter*, that "freedom of the press is not a separate subject matter committed exclusively to either Parliament or the Legislatures. In some respects, Parliament, and in others, the Legislatures may validly deal with it."¹¹³ In respect to religion, Cartwright J. gave his view, again *obiter*, that "it may well be that Parliament alone has power to make laws in relation to the subject of religion as such . . ."¹¹⁴

The wide variety of opinions written in the *Saumur* case, and the imprecision of some of those opinions, make it one of the most baffling cases in Canadian constitutional law. So far as the power to regulate the content of literature is concerned, the dicta in *Alberta Press* are approved by three judges – namely, Rand, Kellock and Locke JJ. – and are disapproved by one – namely Kerwin J. Cartwright J. asserts a divided jurisdiction. Estey J. offers no view on speech, except for religious speech; and Rinfret C.J. (with Taschereau J.) offers no view at all. The *Saumur* case, like the *Alberta Press* case, is concerned with the provincial regulation

of ideas, in this case the prior restraint of the expression of religious and political ideas that were highly controversial at the time. Even the majority judges who held that those ideas could not be censored by a province are not necessarily addressing themselves to lesser forms of content regulation or censorship. And the minority judges are clearly admitting some degree of censorship by a province in service of undoubted provincial objects such as the use of the streets or the prevention of disorder.

The Padlock Case

Switzman v. Elbling (1957),¹¹⁵ is the third and last decision of the Supreme Court of Canada that requires extended discussion. At issue in that case was the validity of a Quebec statute entitled "An Act to Protect the Province against Communistic Propaganda", unofficially called the Padlock Act. The Act made it illegal to use a house "to propagate communism or bolshevism by any means whatever." There were provisions authorizing the closing (or padlocking) of any house that had been used in contravention of the Act. The Act was upheld in the Quebec courts, both at trial and on appeal, but was held to be unconstitutional in the Supreme Court of Canada by a majority of eight to one.

Once again, there was a preliminary issue of classification. Taschereau J., the sole dissenting judge, held that the statute was a law in relation to the use of property, and that it was valid on that basis.¹¹⁶ But the other eight judges took the view that the statute was "colourable": the Quebec Legislature had cast its statute in the form of a property statute when its true purpose was to prohibit the propagation of certain political ideas. These judges all agreed that the statute was unconstitutional, but they reached the result by two different routes, more or less reproducing the dichotomy between Duff C.J. and Cannon J. in the *Alberta Press* case.

The group which seemed to follow Duff C.J.'s reasoning comprised Rand, Kellock, and Abbott J.J. Rand J., with whom Kellock J. agreed, classified the law as in relation to freedom of speech,¹¹⁷ and held that this had "a unity of interest and significance extending equally to every part of the Dominion".¹¹⁸ Abbott J. also classified the law as in relation to freedom of speech,¹¹⁹ and he quoted the dicta of Duff C.J. in the *Alberta Press* case for the view that such a law was outside provincial competence.¹²⁰

The remaining five judges – namely, Kerwin C.J., Locke, Cartwright, Fauteux and Nolan J.J. – took the view that the Padlock Law was a "criminal law".¹²¹ These judges found that the essential object of the Act was to prohibit the propagation of communism with penal sanctions for breach. This was tantamount to the creation of a new crime.

Switzman v. Elbling does not provide direct assistance in searching for constitutional jurisdiction over violent

content. The case did strongly affirm the absence of provincial power to control the expression of political ideas, and even contained suggestions of an absence of federal power. But the judgments cannot be read as clearly denying provincial power to control the depiction of violence, because such control would have only a minor impact on the expression of political, religious, or any other kinds of ideas.

Censorship

A recent decision of the Appeal Division of the Supreme Court of Nova Scotia, now under appeal to the Supreme Court of Canada, is *McNeil v. The Queen* (1976).¹²² It concerns the validity of Nova Scotia's Theatres and Amusements Act, which establishes the Nova Scotia Board of Censors – whose name was changed in 1972 to the Amusements Regulation Board – and gives the Board power to permit or to prohibit in whole or in part the public exhibition in Nova Scotia of any film. The Board viewed films in advance and determined whether or not they could be exhibited in Nova Scotia, and whether or not any deletions were required. The challenge to the Act was brought by a member of the public who had been held to have the necessary standing to sue.¹²³ He sought a declaration that the Board's powers of censorship were unconstitutional. The Appeal Division of the Supreme Court of Nova Scotia granted the declaration. The court held that the law was in pith and substance a criminal law. Three of the judges – namely, MacKeigan C.J., Coffin, and Cooper J.J.A. – wrote short opinions in which they briefly asserted that a law directed to public morality must be a criminal law. The fourth judge, MacDonald J.A., wrote a more elaborate opinion in which he described the law as "a restraint on the fundamental freedoms that are the inherent right of every citizen of this country," and which can only be imposed by the federal Parliament in exercise of its criminal law power.¹²⁴

It is an unenviable task to comment upon a decision that will soon be passed upon by the Supreme Court of Canada. But the topic of censorship is important, and the discussion cannot be avoided. Two lines of reasoning run through the *McNeil* case, and through the prior cases, and it is necessary to examine them separately.

The line of reasoning that appealed to three of the judges in the *McNeil* case is the theory that any regulation of the expression of ideas from the point of view of public morality must be a criminal law and, as such, competent only to the federal Parliament. It will be recalled that this reasoning can be traced back to an isolated passage in Cannon J.'s opinion in the *Alberta Press* case,¹²⁵ it will also be recalled that Duff C.J.'s opinion did not take this view.¹²⁶ In *Saumur*, it was Duff C.J.'s reasoning that appealed to three of the judges, and none of the judges accepted this broad criminal law theory.¹²⁷ In *Switzman v. Elbling*, the majority judges

divided, with three judges following the Duff reasoning, and five judges holding that the Padlock Law was a criminal law.¹²⁸ But the Padlock Law, at least as interpreted by the majority judges, was quite different from a censorship law in that it contained all the normal ingredients of a criminal law – that is to say, it not only sought to protect public morality or order, it took the form of a prohibition coupled with a penalty.¹²⁹

The most commonly cited definition of criminal law is that given by Lord Atkin in the *P.A.T.A.* case:

Criminal Law connotes only the quality of such acts or omissions as are prohibited under appropriate penal provisions by authority of the State. The criminal quality of an act cannot be discerned by intuition; nor can it be discovered by reference to any standard but one: Is the act prohibited with penal consequences?¹³⁰

However, in the *Margarine Reference*, Rand J. added the qualification, which is generally accepted, that there was a third ingredient in addition to the prohibition and the penalty; that third ingredient was “a public purpose which can support it as being in relation to criminal law.” As examples, he suggested “public peace, order, security, health, morality: these are the ordinary though not exclusive ends served by that law.”¹³¹ The *Margarine Reference* established that a prohibition coupled with a penalty was not a criminal law if the law was designed to pursue a purpose not typically criminal – in that case, the protection of the dairy industry. It seems to me to be equally fallacious to classify as criminal law any law which pursues similar purposes to a criminal law, but which lacks the ingredients of a prohibition and a penalty.

The cases actually go much further than the proposition just advanced. Four recent cases have upheld provincial statutes which were very similar in purpose to provisions of the Criminal Code. Moreover, these provincial statutes also took the form of a prohibition coupled with a penalty. In *O’Grady v. Sparling* (1960),¹³² a provincial offence of careless driving was upheld, despite the existence in the Criminal Code of the offence of reckless driving. And in *Mann v. The Queen* (1966),¹³³ a similar provincial offence was again upheld, despite the fact that the Criminal Code by then also included the very similar offence of dangerous driving. In *Stephens v. The Queen* (1960),¹³⁴ a provincial offence of failing to stop at an accident was upheld, despite the existence in the Criminal Code of a similar offence. And, lest it be thought that these cases lay down some special doctrine applicable only to safety on the roads, in *Smith v. The Queen* (1960),¹³⁵ a provincial offence of furnishing false information in a prospectus was upheld, despite the existence in the Criminal Code of the offence of making, circulating, or publishing a false prospectus. Notice how far the double-aspect doctrine has been taken by the Supreme Court of Canada in these cases.¹³⁶ Each provincial law included (1) a prohibition that was to be self-applied by the persons to whom it was addressed – that is to say, without the

intervention of any administrative agency; (2) the penal sanction of a pecuniary fine, typical of a criminal law; and (3) the purpose of preventing or limiting injury or loss to person or property, again typical of a criminal law. In each case, the law was upheld because it was held to be in relation to a provincial subject matter (the roads, securities).¹³⁷ Its penal form was held not to classify it as a “criminal” law, because of s.92(15) of the BNA Act. Section 92(15) expressly authorizes the provincial Legislatures to attach penalties to otherwise valid provincial laws.

In the light of the decisions in *O’Grady*, *Mann*, *Stephens*, and *Smith*, it seems implausible to classify a provincial censorship law as criminal. The salient characteristic of censorship is an administrative process that imposes a prior restraint on material deemed offensive.¹³⁸ A criminal law, by contrast, is typically self-applied by the person to whom it is addressed: there is no intervention by an administrative agency. A criminal law is typically enforced in the ordinary courts by the imposition of a penalty after the prohibited act has been committed, not by a prior restraint of the prohibited act.¹³⁹ To treat a censorship law as equivalent to a provision of the Criminal Code such as s.163, prohibiting immoral, indecent, or obscene performances in a theatre, is to ignore fundamental differences between the two kinds of laws: it is to assume that purpose is the sole criterion of a criminal law, an assumption that finds little or no support in the case law, and has no other apparent merit.¹⁴⁰

The argument that a censorship law may be a denial of a fundamental freedom of national dimensions seems to me to be much more plausible as a basis for invalidity. It is true that classification of laws in terms of their impact on fundamental freedoms is not well entrenched in the cases, and has been criticized;¹⁴¹ but its articulate expression by such highly respected judges as Duff C.J. and Rand J.,¹⁴² its approval in the extra-judicial writings of Laskin C.J.,¹⁴³ and its inherent appeal,¹⁴⁴ lead me to conclude that it probably will be accepted by the Supreme Court of Canada. But in this realm, as Duff C.J. made so clear in the *Alberta Press* case,¹⁴⁵ we are involved in questions of degree. Not every impairment of free speech is so important as to outweigh legitimate provincial interests and attain a national dimension. The laws of libel and slander and anti-noise by-laws are examples of valid provincial limitations of free speech.¹⁴⁶ In the *Alberta Press* case, what was involved was criticism of the policies of a provincial government; and yet, presumably because the law insisted upon a right of reply rather than simply banning criticism, Duff C.J. was not sure whether it passed beyond the legitimate provincial realm of regulating newspapers and into the forbidden free speech category. In *Switzman v. Elbling*,¹⁴⁷ what was essentially involved was a prohibition on the propagation of certain political ideas that were distasteful to the provincial government. Here the violation of civil

libertarian values was very clear. In *Saumur*,¹⁴⁸ the by-law could have been administered in a number of ways, some of them clearly within provincial power (e.g. to regulate traffic, or reduce litter); but in fact it was used to censor material to be distributed on the streets. Rand J., who held the by-law to be unconstitutional, specifically addressed himself to the breadth of the discretion given to the Chief of Police:

Conceding, as in the Alberta Reference, that aspects of the activities of religion and free speech may be affected by provincial legislation, such legislation, as in all other fields, must be sufficiently definite and precise to indicate its subject matter. In our political organization, as in federal structures generally, that is the condition of legislation by any authority within it: the courts must be able from its language and its relevant circumstances, to attribute an enactment to a matter *in relation to which* the legislature acting has been empowered to make laws. That principle inheres in the nature of federalism; otherwise, authority, in broad and general terms, could be conferred which would end the division of powers. Where the language is sufficiently specific and can fairly be interpreted as applying only to matter within the enacting jurisdiction, that attribution will be made; and where the requisite elements are present, there is the rule of severability. But to authorize action which may be related indifferently to a variety of incompatible matters by means of the device of a discretionary licence cannot be brought within either of these mechanisms; and the Court is powerless, under general language that overlaps exclusive jurisdictions, to delineate and preserve valid power in a segregated form. If the purpose is street regulation, taxation, registration or other local object, the language must, with sufficient precision, define the matter and mode of administration; and by no expedient which ignores that requirement can constitutional limitations be circumvented.¹⁴⁹

It is true, of course, that Rand J.'s views were not accepted by the majority of the court in that case but, for the reasons given earlier,¹⁵⁰ I expect them to become accepted. The passage quoted is well known, widely admired, and it seems to me, with respect, to be correct. I see in that passage the key to the issue of fundamental political civil liberties in general and censorship in particular. Where discretionary power is conferred to censor or control speech or writing, and where the power is so broad that it could be used to censor political, religious, or philosophical ideas, then the power will be classified as an impairment of a "national" civil liberty and will be held to be incompetent to the provincial Legislature. But where discretionary power is conferred in terms that are carefully limited to legitimate local objects, it will be valid.

If this analysis is correct, then it seems to me that *McNeil v. The Queen*¹⁵¹ was rightly decided by the Nova Scotia Appeal Division, and will be affirmed by the Supreme Court of Canada. In my opinion, the crucial element was the absence of any statutory criteria that the censorship board were to apply. This absence in the statute was commented upon by the court. There was not even evidence of any policy guidelines adopted by the board; and the banning of the movie *Last Tango in Paris*, which is what prompted McNeil's action, was

announced by the board without any supporting reasons. Macdonald J.A. pointed out that film censorship was normally associated with "sex, morals and violence", and that many other jurisdictions wrote these or similar criteria into their censorship laws. But in the Nova Scotia case, he said, "the censorship criterion, being left to the *Board* to determine, could be much wider and encompass political, religious and other matters."¹⁵²

In my view, these distinctions are sound and are fatal to the validity of the Nova Scotia Act. What remains for consideration is the question of whether a censorship law carefully limited to explicit violence (or other detailed criteria) would be valid. The answer to this question cannot be given with confidence. The view that any law dealing with public morality is a criminal law would, of course, be fatal to even a limited provincial censorship law. But I have already given my reasons for rejecting that view as unsound.¹⁵³ My opinion is that such a limited censorship law would be competent to the province. It would not be a criminal law for the reasons given earlier.¹⁵⁴ It would not be a denial of fundamental national civil liberties, because it would not, and could not, be used as a mode of censoring ideas except in the relatively minor and incidental respect that explicit violence may convey a particular idea deemed important by the filmmaker.

It must be remembered that the regulation of media other than radio and television is primarily provincial. It must also be remembered that community attitudes to the depiction of violence or sex undoubtedly vary from one locality to another. It seems to me that the regulation of local media could extend to censorship carefully limited to matters of primarily local concern, such as the depiction of violence.

It is perhaps prudent to add one final paragraph by way of clarification of the foregoing. The suggestion that some degree of provincial censorship is constitutional does not imply approval of censorship. The issue for this paper is not whether censorship is wise or unwise, good or bad; but simply which level of government has the constitutional power to enact it. The decision in the *McNeil* case was regarded as a victory for those who oppose censorship, and so it was, in the sense that a particular censorship law was struck down. But all of the judges made clear that a similar law could have been enacted by the federal Parliament.¹⁵⁵ The constitutional issue simply concerned the distribution of powers in the federal system. Moreover, as will be explained later,¹⁵⁶ powers allocated by the courts' interpretations of the BNA Act to one level of government can easily be delegated to the other level of government.

The Canadian Bill of Rights

Federal legislation with respect to the media is, of course, subject to the Canadian Bill of Rights, which guarantees freedom of speech (s. 1(d)) and freedom of

the press (s. 1(f)). The courts would hold inoperative any federal law violating either of those freedoms. The Supreme Court of Canada has never had occasion to consider those particular freedoms,¹⁵⁷ but the courts have generally been very reluctant to hold that a federal law is in conflict with the Bill of Rights.¹⁵⁸ Moreover, the Bill of Rights itself, by s.2, enables the federal Parliament to exempt any statute from the requirements of the Bill of Rights by including in the statute a declaration that the statute "shall operate notwithstanding the Canadian Bill of Rights."¹⁵⁹

The Canadian Bill of Rights does not apply to provincial legislation, although Alberta and Quebec both now have their own Bills of Rights. Ontario and the other provinces do not have such Bills of Rights.

Policy Options

The rest of this study will examine each of the policy options mentioned in the *Interim Report* of The Royal Commission on Violence in the Communications Industry, and will advise where the constitutional responsibility for each possibility lies.

Enforcement of Criminal Law

It is suggested in the *Interim Report*, p. III-31, that governments could attempt more vigorous enforcement of existing laws, such as the "Criminal Code, and customs and post office provisions dealing with obscene violence in printed material and films." By long tradition, of course, decisions as to whether to lay a particular charge or whether to prosecute a particular individual – and indeed all decisions about individual cases – are made by police officers or Crown Attorneys independently of government direction.¹⁶⁰ But certainly in Ontario and the other provinces, the Attorney General is the chief law enforcement officer of the Crown, and I assume that through him the government may effectively insist upon general policies with respect to police and prosecutorial enforcement of the criminal law. The question I have to consider is: which level of government has the constitutional responsibility for the enforcement of the criminal law?

Section 92(14) of the BNA Act gives to the provincial Legislatures the power to make laws in relation to:

The administration of justice in the province, including the constitution, maintenance and organization of provincial courts, both of civil and of criminal jurisdiction, and including procedure in civil matters in those Courts.

This head of legislative power must be read with s. 91(27), which gives the federal Parliament the power to make laws in relation to:

The criminal law, except the constitution of courts of criminal jurisdiction, but including the procedure in criminal matters.

So far as the criminal law is concerned, the federal Parliament has the power to enact the substantive law and the procedural law; but the provincial Legislature has the power to enact laws in relation to the adminis-

tration of justice, including the establishment of courts of criminal jurisdiction. Under the administration of justice power, Ontario (in common with the other provinces) has established a hierarchy of courts and invested them with the jurisdiction to try criminal cases. Of course, the law to be applied and the procedure to be followed in those courts are enacted by the federal Parliament.

The province has also exercised its power over the administration of justice by providing for the provincial enforcement of the criminal law through provincial police forces and provincial Crown Attorneys, who are within the responsibility of the provincial Attorney General. There has developed a longstanding practice under which the province (through its police and Crown Attorneys) enforces the federal Criminal Code. Of course, provincial law-enforcement officers also enforce offences under provincial statutes. Although the province cannot enact "criminal law", under s. 92(15) of the BNA Act, the province can add penal provisions to otherwise valid provincial statutes. As a result, there are many provincial offences.

The constitutionality of provincial enforcement of the federal Criminal Code has never been challenged, and is not in doubt. It derives from the province's legislative and executive¹⁶¹ power over the "administration of justice", a term which includes criminal justice.¹⁶²

The federal Parliament also has the power to provide for the enforcement of its own laws, including the criminal law. In fact, as already noted, offences under the Criminal Code are prosecuted by provincial authorities. But offences under statutes other than the Criminal Code – for example, the Combines Investigation Act, the Narcotic Control Act, the Customs and Excise Act, the Income Tax Act, and the Post Office Act – are prosecuted by counsel for the federal Department of Justice, instead of by provincially appointed prosecutors. This federal power of enforcement flows from the principle that a grant of legislative authority over the criminal law (or any other subject matter) carries with it the executive power to enforce the statutes enacted under that authority. The federal power to provide for the appointment of federal prosecutors for federal offences has been upheld on this basis in two recent Ontario decisions.¹⁶³ It would seem to follow that the federal Parliament could confer the enforcement of all federal criminal laws, including the Criminal Code, on federally appointed officers. However, the federal Parliament has not done so, and I suppose there would be a constitutional question as to whether the federal Parliament could altogether exclude provincial authority to enforce federal criminal laws.¹⁶⁴

The legal position may be summarized as follows: The power to prosecute offences under provincial statutes is exclusively provincial, stemming both from the power in s. 92(14) over the administration of justice and from the principle that legislative authority includes the executive power of enforcement. The power to

prosecute offences under federal statutes is concurrent:¹⁶⁵ the provincial government's power stems from the power in s. 92(14) over the administration of justice; the federal government's power stems from the power in s. 91(27) over the criminal law, which includes the executive power of enforcement. The exact boundaries of function at any given time depend on the statutes respecting enforcement that are in force, and on informal agreements (or acquiescences) by the two levels of government. At present the arrangement may be described in these general terms: the enforcement of the Criminal Code (as well, of course, as penal provisions in provincial statutes) is undertaken by the provincial authorities, while the enforcement of penal provisions in federal statutes other than the Criminal Code is undertaken by the federal authorities.

Civil Actions

The creation of new civil causes of action, conferring upon individuals a right to obtain damages for loss or injury, is a matter within provincial jurisdiction under "property and civil rights in the province," head 13 of s. 92 of the BNA Act. This is the constitutional basis of the law of torts, of which the defamation laws are part. It would therefore be possible, as the *Interim Report*, suggests on p. III-31, for a province to create new civil causes of action for loss or injury caused by media content; and it would be possible to authorize "class actions" by large numbers of similarly situated viewers. Of course, if the primary purpose were to penalize the media, as opposed to giving a remedy to the viewers, then there would be a risk that the court would hold that the law was invalid as a "colourable" attempt to enact criminal law¹⁶⁶ under the guise of conferring a civil right of action.¹⁶⁷

Research and Information

The conduct of research and the provision of information are functions of government that do not involve altering the law or changing the rights and liabilities of individuals. As such, they can be performed or commissioned by either level of government and no constitutional issue is raised. For example, either level of government could publish information about the violence content of particular movies or television shows, or could undertake a more general program of education about or research into the effects of violence in the media.

Any program of research or information would, of course, cost money; but the next section of this study, on Governmental Subsidy or Participation in Industry, will show that it is reasonably clear that a government may spend money for any purpose it sees fit, provided, of course, that the money has been appropriated for that purpose by the federal Parliament, in the case of expenditures by the federal government, or the Ontario Legislature, in the case of expenditures by the provincial government.

Governmental Subsidy or Participation in Industry

The elimination or reduction of violence in the mass media may well involve expenditure by governments. Any form of governmental intervention would obviously cost money; but, in addition, governments may wish to subsidize groups seeking a reduction in violence in the media, or may wish to subsidize the industry itself in order to compensate it for lost revenue from programming involving violence or to help provide alternative programming. Governments may also wish to participate in the industry in order to influence its product directly. Of course, there is already a substantial financial involvement in the mass media by both major levels of government; for example, federal subsidization of the CBC, provincial subsidization of TVOntario, and federal and provincial assistance to private filmmakers, theatre groups, and publishers.

The only constitutional question raised is whether each level of government may spend or lend its money for purposes outside its legislative authority. The probable answer is that spending money is not the same as enacting laws that alter people's rights and liabilities. Although spending requires an appropriation by the Parliament or the Legislature, it is not limited to purposes within legislative power. It follows that the government of Canada or of a province may give financial aid to any person or group, and for any purposes, without regard for the constitutional jurisdiction over that person, group, or purpose.

I have described this conclusion as "probable" because there is nothing in the BNA Act, and no case, that clearly decides the point. There has, however, been a good deal of discussion of the federal spending power, because of the huge federal expenditures in the form of equalization payments and other unconditional grants to the provinces, and in the form of contributions to shared-cost programs such as medicare, hospital insurance, and welfare. A substantial portion of the revenue raised by federal taxes is thus spent for purposes lying outside federal legislative authority. Moreover, the contributions to the shared-cost programs are normally conditional upon the establishment or maintenance of the program in accordance with stipulations made by the federal government but which, in many cases, the federal Parliament could not have directly legislated. Indeed, much of the structure of federal-provincial financial relations is premised on the view that there is no constitutional limit to the federal spending power: the federal Parliament may appropriate funds for any purpose whatever, including purposes on which it could not legislate, and may attach to any grant or loan any conditions whatever, including conditions it could not directly legislate.

This broad view of the federal spending power has been accepted by the federal government,¹⁶⁸ of course, and probably by all provincial governments, despite occasional objections to federal intrusions on provincial

autonomy. Most constitutional commentators also accept the broad view of the federal spending power.¹⁶⁹ Even so, it cannot be said that the scope of the federal spending power has been definitively settled. One decision of the Exchequer Court¹⁷⁰ affirms the validity of federal family allowances, but the decision of the Privy Council in the *Unemployment Insurance Reference*¹⁷¹ contains dicta that are equivocal. There is, therefore, still room for argument that the federal spending power is confined to objects within federal legislative competence, but the dominant opinion that the power is not so confined is in my view the better one.

The understandable preoccupation of governments and commentators with the power to disburse from the ample federal purse has not been matched by an equivalent concern about the provincial situation.¹⁷² It seems to me, however, that the essence of the argument for an unlimited federal spending power is equally applicable to the provinces. The essence of the argument, lies in the distinction between compulsory regulation, which can obviously be accomplished only by legislation enacted within the limits of legislative power, and spending or lending or contracting, which impose no obligations on the recipient (as in the case of family allowances) or impose obligations that are voluntarily assumed by the recipient (as in the case of a loan or conditional grant).¹⁷³ There seems to be no reason to confine spending, lending, or contracting within the limits of legislative power, because in those functions the government is not purporting to exercise any peculiarly governmental authority over its subjects.

Against this approach it may be argued that the financial resources for the spending, lending, or contracting will have been mainly derived from the compulsory levy of taxation, and since the provincial power of taxation is expressly limited to "the raising of a revenue for provincial purposes," the spending power should be limited to provincial legislative purposes. However, several reasons lead me to reject this conclusion. First of all, there is a dictum by Duff C.J. asserting that "the words 'for provincial purposes' mean neither more nor less than this: the taxing power is given to them for raising money for the exclusive disposition of the legislature".¹⁷⁴ Secondly, there are cases deciding that a province may validly sell its property subject to conditions outside its legislative competence.¹⁷⁵ Thirdly, in the absence of rather clear indications in the BNA Act to the contrary, it seems likely that the provincial spending power would be as ample as the federal spending power.¹⁷⁶ Fourthly, the provinces have never recognized any limit on their spending powers and have often spent money for purposes outside their legislative competence – for example, by running a commuter train service on inter-provincial trackage¹⁷⁷ or by subsidizing an airline.¹⁷⁸

My conclusion, despite the complexity of the reasoning, accords with the common understanding

that either level of government may spend, lend or contract for purposes outside its legislative competence. The province of Ontario, for example, could operate or subsidize a radio station, notwithstanding its lack of legislative competence over the station. And the federal government, for example, could operate or subsidize a theatre, notwithstanding its lack of legislative authority over the theatre.

Content Regulation

The topic of content regulation has been extensively discussed in this study.¹⁷⁹ The position may be briefly summarized as follows.

There is no doubt that a straightforward criminal law which prohibits the depiction of violence in any one or more forms of the media (including local media), and which imposes a penalty for contravention, is a criminal law that comes solely within the jurisdiction of the federal Parliament. There is also little doubt that a province has no jurisdiction to prevent in a substantial way the expression of political, religious, or philosophical ideas: the expression of such ideas is a fundamental freedom with national, and not merely local, significance.

The difficulty arises with respect to more limited and more complex forms of content regulation. One argument is that all content regulation should be classified as criminal law, no matter how far it departs from the traditional "criminal" format. Another argument contends that all content regulation should be classified as a denial of a fundamental freedom, no matter how local or limited its purposes are. I have already explained that in my view these arguments go too far in their denial of any provincial role in content regulation. The more likely state of our constitutional law is that forms of content regulation that are not typically criminal in form – for example, because they make use of an administrative agency – and that are carefully limited to controlling the depiction of violence, follow the constitutional boundaries of the media. This means that the federal Parliament may (subject to the Canadian Bill of Rights)¹⁸⁰ impose content regulation on radio and most forms of television; and the provincial Legislatures may impose content regulation on films, live theatre, literature, and records. Where a movie or play is shown on television, it would, of course, lose the local feature that keeps it within provincial jurisdiction, and it would come within federal jurisdiction.

This opinion must be treated as tentative only, since there is no decision of the Supreme Court of Canada on that point. Several cases now under appeal to the Supreme Court may result in a clarification of the position within a year or two.¹⁸¹

It is perhaps unnecessary to repeat that content classification by government, which is solely a matter of information, unaccompanied by rules restricting such matters as times of exhibition or age of audience, is

within the competence of either level of government (and indeed of any individual citizen who can find someone to listen to his views).¹⁸²

Licensing

The term "licensing" has no precise legal meaning: it implies only that each of the participants in an industry must hold a licence; but it would be possible to establish a licensing regime whose sole purpose was to keep records of the participants in an industry, or whose sole purpose was to raise revenue by imposing a fee on participants in an industry. In the context of controlling the depiction of violence, a licensing scheme would no doubt involve an obligation on the part of licence-holders to comply with rules concerning the depiction of violence, and a power in the licensing authority to cancel the licence of any holder who did not abide by the rules. Such a licensing scheme would be treated by the courts as being in pith and substance the regulation of content. The previous section of this study on the constitutional jurisdiction to regulate content¹⁸³ is accordingly applicable here, too.

Media Council or Ombudsman

The *Interim Report*, p. III-32, suggests the possibility that "governments could establish one or more media ombudsmen to entertain, investigate and report on complaints about media violence." Consistent with the principles that governments are free to provide information on any matter they choose,¹⁸⁴ and to spend money for any object they choose,¹⁸⁵ it is obvious that any government could establish a media council or media ombudsman whose functions did not involve any coercive powers. Probably, however, in order to be effective, a media ombudsman would require some coercive powers of investigation, and in particular the powers to compel the oral testimony of witnesses and the production of documents. The granting of such coercive powers would require legislation that would have to come within the legislative powers of the enacting Parliament or Legislature.¹⁸⁶ Since legislative jurisdiction over the media is divided partly along industry lines, and partly along other lines, the establishment and empowering of an ombudsman would present some constitutional difficulty. The federal Parliament could establish an ombudsman for radio and most forms of television, since its constitutional authority over those media is probably plenary.¹⁸⁷ The provincial legislature could establish an ombudsman for films, theatres, literature, and records,¹⁸⁸ but, since his office would be to enquire into the content of the material exhibited, performed, written, or spoken, and possibly even to insist upon changes in content, this would raise the question of the extent of provincial power to regulate content. I have already given my opinion that, while the law is far from clear at the moment, it is probable that a carefully limited regulatory power over violent content in those indus-

tries is competent to the province,¹⁸⁹ and therefore an investigatory power would be too.

Self-Regulation by Industry

There is, of course, no constitutional issue raised when a group of professionals or business firms elect to regulate themselves. The media, or any section of the media, could do this. Such regulation depends on the consent of the various participants, and it can be legally enforceable by virtue of the law of contract. The difficulty is that a regime of self-regulation will not be effective in respect to a member of the industry who does not agree to join the regime; and a voluntary regime, by hypothesis, cannot insist that every member of the industry must join the regime. It is possible that some industries that are heavily concentrated, and in which it is difficult for new members to establish themselves, could regulate themselves very effectively. But in most industries, a statutory framework is required to ensure that all members of the industry are subject to the regulatory regime, whether they agree or not. Once such a statute has been enacted, the regulatory authority, while it may consist wholly of people appointed by the industry, is, in law, exercising statutory powers. It is no different from a regulatory authority appointed by government. Any statute which confers regulatory powers must be enacted by the legislative body with the constitutional jurisdiction to impose that kind of regulation.

It follows from the foregoing that the enactment of a statute giving authority to a media-controlled committee or board to regulate violence in the media would give rise to exactly the same constitutional issues as discussed under content regulation above.¹⁹⁰

Import Controls or Tariffs

The *Interim Report*, p. III-31, suggested the possibility of import controls or customs duties as devices for excluding from Canada, or making more expensive, imported material with violent content. Indeed, there are already some controls of this kind.¹⁹¹ Import controls and customs duties can be enacted only by the federal Parliament.

The regulation or prohibition of the importation of goods into Canada is within federal legislative authority. Perhaps the clearest authority for this proposition is the *Margarine Reference* (1948),¹⁹² where the Supreme Court of Canada held that the federal Parliament could prohibit the importation of margarine in order to protect the dairy industry,¹⁹³ despite the fact that the Parliament could not prohibit the manufacture and sale of margarine within Canada for the same purpose. The federal authority over importation is derived from "trade and commerce" in s. 91(2) of the BNA Act.¹⁹⁴ It is also clear that the provinces do not have the power to regulate or prohibit the importation of goods into Canada.¹⁹⁵

The levying of customs duties on goods imported into

Canada is within federal legislative authority. This authority is derived from the federal taxing power in s. 91(3) of the BNA Act,¹⁹⁶ as well as from the federal “trade and commerce” power in s. 91(2).¹⁹⁷ The provinces have no power to levy customs duties, because the provincial taxing power is limited by s. 92(2) to the levy of “direct” taxes, and customs duties are “indirect” taxes.¹⁹⁸

Taxation

Taxation is a device available to both levels of government. As indicated in the earlier discussion of Import Controls or Tariffs,¹⁹⁹ the federal Parliament has the power to levy any kind of tax it chooses under s. 91(3) of the BNA Act (“the raising of money by any mode or system of taxation”), while the provincial Legislatures are confined to “direct” taxation by s. 92(2). The limitation on the provincial power precludes, as we have seen, a provincial customs or excise tax, because such a tax is indirect;²⁰⁰ but most other kinds of taxes are direct, or can be drafted in such a way that they are deemed to be direct.²⁰¹

The only constitutional difficulty about using a tax to discourage violence in the media is the danger that a court will hold that the tax is “colourable”, and that the primary purpose of the statute is to secure a regulatory objective. In a few cases, taxes have been struck down on the basis that they were in pith and substance attempts to regulate matters outside the legislative authority of the Parliament or Legislature imposing the tax. For example, a federal tax on insurance policies has been held to be an invalid attempt to regulate the business of insurance, a provincial subject matter;²⁰² a provincial tax on banks has been held to be an invalid attempt to regulate banking, a federal subject matter;²⁰³ and a provincial tax on minerals has been held to be an invalid attempt to regulate interprovincial trade, a federal subject matter.²⁰⁴ The facts need to present an extreme case in order to attract a finding of colourability. Most taxes are designed to accomplish social or economic objectives as well as to raise revenue, and the courts will not usually ask whether the ulterior objectives are also within the constitutional power of the taxing Parliament or Legislature.

In the case of a tax on the media in some way related to violent content, if the court did characterize the tax as being in pith and substance an attempt to regulate violent content in the media, then the validity of the statute would depend on the considerations described above as to constitutional jurisdiction to regulate the content of the media.²⁰⁵

Federal-Provincial Cooperation

It will by now be abundantly clear that the lines of constitutional jurisdiction over the media are complex, and in some respects blurred. Any concerted action on the depiction of violence in all the media would obviously involve both levels of government. Even in

fields where jurisdiction is fairly clear – for example, the federal jurisdiction over radio – the body with jurisdiction may well seek or welcome consultation with other authorities. The interdependence of federal and provincial governments, and the pervasiveness of federal-provincial cooperation, are obvious characteristics of the Canadian federation, and I do not intend to pursue them.

What I do intend to describe is the legal technique for shifting (or, more accurately, delegating) jurisdiction from one level of government to another. The case of interprovincial and international road transport is an interesting example. In *A.-G. Ont. v. Winner*,²⁰⁶ the Privy Council, in its last Canadian constitutional appeal, held that the province of New Brunswick had no power to regulate a bus service which ran from Maine to Nova Scotia, but which passed through New Brunswick and picked up and put down passengers in that province. This decision was highly inconvenient, in that the provinces had been regulating interprovincial and international carriers, along with local carriers, for many years. The provinces had the personnel and the physical facilities to accomplish the task. The federal government did not. It was therefore agreed between the federal and provincial governments that the federal Parliament would delegate back to the provincial highway transport boards the power to regulate the interprovincial and international carriers. This arrangement was carried out by a short statute that required interprovincial and international carriers to obtain a licence from the transport board of any province in which they operated, and that authorized the provincial transport boards to issue licences to interprovincial and international carriers on the same terms as local carriers. The practical effect of this statute was to reverse completely the unwelcome decision in *Winner*. The statute has been upheld in the Supreme Court of Canada.²⁰⁷

It is clear from the highway transport precedent that if the Supreme Court of Canada were to decide that the provinces had no power of movie censorship,²⁰⁸ for example, the federal Parliament could return the power to the various provincial censorship boards. Similarly, elements of provincial jurisdiction could be delegated by the provinces to federal agencies. In other words, where governments agree, the lines of constitutional jurisdiction can for practical purposes be shifted by the device of federal inter-delegation.²⁰⁹

This process is, in fact, already under way in the broadcasting field. The Government of Canada and the Government of Manitoba recently concluded an agreement providing for provincial regulation of some non-content aspects of cable television.²¹⁰ And the federal Minister of Communications at the time of writing had proposed amendments to the Broadcasting Act to provide a broader statutory basis for such agreements and for provincial participation in the regulation of broadcasting.²¹¹

Endnotes

1. There has been lively debate among constitutional lawyers as to the precise nature of the relationship between the opening words of s. 91 and the lists of subjects in ss. 91 and 92. The statement in the text would not command universal agreement, but I believe it to be essentially accurate (See W.R. Lederman, "Unity and Diversity in Canadian Federalism" (1975) 53 Can. Bar Rev. 597, 602-603.) and it will certainly serve for the purpose of this paper.
2. See pp. 309, 317, below.
3. See p. 305, below.
4. See pp. 309, 317, below.
5. See pp. 309, 317, below.
6. *Re Regulation and Control of Radio Communication in Canada*, [1932] AC 304.
7. See C.H. McNairn, "Transportation, Communication and the Constitution" (1969) 47 Can. Bar Rev. 355, 360; D. Mullan and R. Beaman, "The Constitutional Implications of the Regulation of Telecommunications" (1973) 4 Queen's L.J. 67, 74; Laskin, *Canadian Constitutional Law* (4th ed. rev., 1975), 497.
8. The power to implement treaties, given to the federal Parliament by s.132 of the BNA Act, could not be relied upon because the treaty had been entered into by Canada in its own right, and s.132 was applicable only to treaties entered into by the British Empire. However, by locating the power to implement the treaty in the p. o.g.g. power, their lordships reached the same result. But, as noted in the text, below, this mode of reasoning was subsequently disapproved by the Privy Council in the *Labour Conventions* case, *A.-G. Can. v. A.-G. Ont.*, [1937] AC 326.
9. *A.-G. Can. v. A.-G. Ont.*, [1937] AC 326, and see previous note.
10. In the *Labour Conventions* case [1937], AC 326, 351 Lord Atkin criticized the *Radio Reference* as presenting "difficulty", but he suggested that it could be supported on other grounds.
11. For indications of this possibility, and a recital of some of the criticism, see *MacDonald v. Vapor Canada Ltd.* (1976), 66 DLR (3d) 1, 27-31 per Laskin C.J.
12. The "emergency" definition of p. o.g.g. is not appropriate for a matter such as radio: *Anti-Inflation Reference* (1976) 68 DLR (3d) 452, 524 per Beetz J.
13. *A.-G. Ont. v. Canada Temperance Federation*, [1946] AC 193, 205.
14. *Ibid.* Their lordships also cited the *Aeronautics Reference*, [1932] AC 54 as another example. For discussion, see text following.
15. *Re Regulation and Control of Aeronautics in Canada*, [1932] AC 54.
16. The old treaty was denounced in 1947 because Canada had become a party to a new treaty. But the new treaty could not provide the basis of federal legislative power under s. 132 of the BNA Act because it was not a "British Empire" treaty, and the *Labour Conventions* case [1937] AC 326 would not permit a "Canada" treaty to be treated as equivalent to a British Empire treaty: see notes 8-11, and accompanying text, above.
17. [1952] 1 SCR 292.
18. [1973] 3 OR 819. See p. 305, below.
19. *Accord, Anti-Inflation Reference* (1976) 68 DLR (3d) 452, 524 per Beetz J.
20. November 12, 1973. However, another decision raising some similar issues is currently under appeal to the Supreme Court of Canada. In *Kellogg's Co. of Canada v. A.-G. Que.*, Que. CA June 20, 1975, unreported, the Quebec Court of Appeal followed *Re CFRB* and held that a provincial law purporting to regulate television advertising directed at children was unconstitutional. The Supreme Court of Canada on November 3, 1975, granted leave to appeal from the *Kellogg* decision.
21. [1932] AC 304, 313. In one of those distressing lapses for which the Privy Council became notorious in Canada, their lordships referred consistently to "inter-provincial" broadcasting, although in the context it is clear that they meant intra-provincial broadcasting. Yes, your lordships, there is a difference!
22. BNA Act, s. 92(10); under paragraph (c), a local work may be declared by the Parliament of Canada to be for the general advantage of Canada and it will thereby be brought within federal jurisdiction.
23. (1965) 51 DLR (2d) 716.
24. See p. 306, below.
25. McNairn, (1969) 47 Can. Bar Rev. 355, 358.
26. See p. 304, above.
27. This is implied by the *Aeronautics Reference*, [1932] AC 54, 77, although their lordships were not asked to decide the point. It is asserted, *obiter*, in the *Radio Reference*, [1932] AC 304, 313, although the case concerned jurisdiction over radio, not aeronautics, and in *Johannesson v. West St. Paul*, [1952] 1 SCR 292, 314, although Johannesson's operations did extend to two provinces. However, the point is distinctly decided by the BCCA in *Jorgenson v. Pool* (1959), 28 WWR 265, 266. See generally Colin H. McNairn, "Aeronautics and the Constitution" (1971) 49 Can. Bar Rev. 411.
28. RSC 1970, c. B-11.
29. RSC 1970, c. R-1.
30. [1973] 3 OR 819.
31. *Id.*, 824.
32. *Ibid.*
33. November 13, 1973.
34. In *Kellogg's Co. of Canada v. A.-G. Que.*, Que. CA, June 20, 1975, unreported, a majority of the Quebec Court of Appeal held that a provincial law purporting to regulate television advertising directed at children was unconstitutional; *Re CFRB* was followed. In *Re Capital Cities Communications Inc.*, [1975] FC 18 the Federal Court of Appeal had to decide whether the Canadian Radio Television Commission had the authority to authorize a cable television company to delete commercials from programs received over the air from Buffalo, New York, and to substitute other commercials. In deciding that the CRTC did have the power, the court held that the federal Parliament had constitutional authority "over the content of broadcasts as well as over the physical undertaking of the television reception unit" (per Ryan J. at p. 25). *Re CFRB* was cited in support. Both these decisions are currently under appeal to the Supreme Court of Canada.
35. RSC 1970, c. B-11, s. 3.
36. [1932] AC 304; see p. 303, above.

37. [1931] SCR 541, 542.
38. See *R. v. Communicomp Data Ltd.* (1974), 6 OR (2d) 680, 698.
39. *Re Public Utilities Commn. and Victoria Cablevision Ltd.* (1965) 51 DLR (2d) 716; *Kellogg's Co. of Canada v. A.-G. Que.*, Que. CA., June 20, 1975, unreported, leave to appeal to SC Can. granted on November 3, 1975; Mullan and Beaman, (1973) 2 Queen's LJ 67, 80; Laskin, *Canadian Constitutional Law* (4th ed. rev., 1975), 497.
40. RSC 1970, c. B-11.
41. RSC 1970, c. R-1.
42. These definitions are essentially those of Richard A. Shaw in "The Cities, Cablevision and the Constitution" (1971) 29 U of T Fac. Law Rev. 28, an excellent article on municipal taxation and regulation of cable television.
43. [1932] AC 304.
44. *Id.*, 315.
45. *Ibid.*
46. *Id.*, 317.
47. This was distinctly decided in *Re Public Utilities Commn. and Victoria Cablevision Ltd.* (1965), 51 DLR (2d) 716, a case which is discussed in the text that follows. It might be added, too, that, to the extent that legislative jurisdiction over radio and television is premised on broader considerations than the need to assign and regulate the use of broadcasting frequencies (see p. 305, above), the argument for unitary treatment of transmitter and receiver becomes even stronger.
48. (1965) 51 DLR (2d) 716.
49. *Id.*, 718 per Sheppard J.A.; accord, 722 per Maclean J.A.
50. *Id.*, 719.
51. *Id.*, 723.
52. The judgments appear to assume that s. 92(10)(a) of the BNA Act is the basis for federal jurisdiction, although Maclean J.A. (at p. 722) does mention p. o.g.g., and this assumption seems to depend upon giving a very broad meaning to the word "undertaking" in s. 92(10)(a): see p. 304, above. Contrast *Re CFRB*, [1973] 3 OR 819 where the Ontario Court of Appeal decided that p. o.g.g. was the basis of federal jurisdiction: see p. 305, above.
53. Accord, *Re Oshawa Cable TV Ltd. and Town of Whitby* (1969) 4 DLR (3d) 224; *Re Capital Cities Communications Inc.*, [1975] FC 18. *R. v. City of New Westminster; Ex parte Canadian Wirevision Ltd.* (1965) 55 DLR (2d) 613 does not cast doubt on this proposition (see the reference to *Victoria Cablevision* at p. 618), although the decision that a municipality can deny entry to a company which is federally licensed to supply cable television is probably wrong: page 9, below.
54. *Cf. R. v. Communicomp Data Ltd.* (1974), 6 OR (2d) 680, 684, 702.
55. See p. 307, above.
56. *Toronto v. Bell Telephone Co.*, [1905] AC 52 (telephone); *A.-G. Ont. v. Winner*, [1954] AC 541 (busline); *Re Tank Truck Transport Ltd.*, [1960] OR 497 affd. [1963] 1 OR 272 (trucking); *R. v. Cooksville Magistrate's Court: Ex parte Liquid Cargo Lines*, [1965] 1 OR 84 (trucking); and cf. *The Queen (Ont.) v. Board of Transport Commrs.*, [1968] SCR 118.
57. The interprovincial business need not be quantitatively predominant. In *Tank Truck* (previous note), it constituted only six per cent of the company's business and in *Liquid Cargo* (previous note), only 1.6 per cent. Yet the undertaking as a whole was held to be interprovincial in each case.
58. At the time of writing, some cable systems are providing as many as 30 channels, and an even greater number is possible. New technological developments could, and probably will, greatly increase the number of available channels and, if this occurs, the argument for unitary regulation will be much weakened. However, by the time this development occurs, unitary federal regulation may have become an accomplished fact, not easily reversible.
59. [1932] AC 304.
60. [1973] 3 OR 819; on this point, see text accompanying note 30.
61. See Shaw, (1971) 29 U of T Fac. Law Rev. 28, 32.
62. See p. 305, above.
63. See p. 306, above.
64. See p. 304, above.
65. See p. 306, above.
66. *The Globe and Mail*, April 4, 1976.
67. See p. 307, above.
68. This point has already been made with respect to theatres: p. 303, above.
69. *The Globe and Mail*, April 26, 1976.
70. See p. 307, above.
71. More dubious is the question of the application of zoning laws to the crucial matter of the location of the head end: cf. *Johannesson v. West St. Paul*, [1952] 1 SCR 292.
72. *Cf. Toronto v. Bell Telephone Co.* [1905] AC 52, 60-61.
73. *Bank of Toronto v. Lambe* (1887), 12 App. Cas. 575. See generally Shaw, (1971) 29 U of T Fac. Law Rev. 28, 43-51.
74. [1973] 3 OR (2d) 819, discussed p. 305, above.
75. *Id.*, 825.
76. BNA Act, s. 92(1) and (8).
77. The courts are not entirely predictable in their application of the rule that a law that is "in relation to" a proper subject matter may validly "affect" the subject matter of the other level of government: contrast the *CFRB* case and *Oil Chemical and Atomic Workers International Union v. Imperial Oil Ltd.*, [1963] SCR 584 (provincial law could affect federal election) with *McKay v. The Queen*, [1965] SCR 798 (municipal by-law should be "read down" so as not to affect federal elections).
78. *A.-G. Ont. v. Winner*, [1954] AC 541.
79. *Toronto v. Bell Telephone Co.*, [1905] AC 52.
80. *Campbell-Bennett Ltd. v. Comstock Midwestern Ltd.*, [1954] SCR 207.
81. *Commission du Salaire Minimum v. Bell Telephone Co.*, [1966] SCR 767; see generally Dale Gibson, "Interjurisdictional immunity in Canadian Federalism" (1969) 47 Can. Bar Rev. 40.
82. (1965) 55 DLR (2d) 613.
83. J. Ziegel in Ziegel (ed.), *Studies in Canadian Company Law* (1967), 177.
84. Shaw, (1971) 29 U of T Fac. Law Rev. 28, 40; Mullan and Beaman, (1970) 2 Queen's L.J. 67, 83; Laskin, *Canadian Constitutional Law* (4th ed. rev., 1975), 561. *Contra*, Ziegel in

- the previous note, but Ziegel only addresses himself to the federal incorporation point.
85. See notes 78-81, above.
 86. *Re Public Utilities Commn. and Victoria Cablevision Ltd.* (1965), 51 DLR (2d) 716, 719 per Sheppard J.A.; the other opinion, written by Maclean J.A., does not use this argument.
 87. Accord, Shaw, (1971) 29 U of T Fac. Law Rev. 28, 48. The Broadcasting Act, RSC 1970, c. B-11, s.3(i), asserts that "facilities should be provided within the Canadian broadcasting system for educational broadcasting". See generally Ronald G. Atkey, "The Provincial Interest in Broadcasting under the Canadian Constitution" in Ontario Advisory Commission on Confederation, *The Confederation Challenge* (Toronto, Queen's Printer, 1970), Vol. 2, p. 189.
 88. *Reference re Alberta Statutes*, [1938] SCR 100.
 89. The bills had not been enacted into law, because the Lieutenant-Governor had "reserved" the bills under s. 90 of the BNA Act, thereby remitting them to the Governor General to determine whether the royal assent should be given. The Governor General had not given the royal assent, but had referred the bills to the Supreme Court of Canada for an opinion as to their validity. The Supreme Court of Canada held all three bills to be invalid, and the province appealed the decision to the Privy Council. However, the Privy Council took the view that two of the bills, the Press Bill and the Credit Regulation Bill, were inoperative because of Alberta's repeal of the principal Social Credit Act, and that their validity was an academic question that they did not have to decide. The appeal was therefore permitted to proceed only on the third bill, the Bank Taxation Bill; and on that bill the Privy Council affirmed the Supreme Court of Canada: *A.-G. Alta. v. A.-G. Can.*, [1939] AC 117.
 90. The Privy Council did not hear an appeal from the decision of the Supreme Court of Canada: see note 89, above.
 91. [1938] SCR 100, 133.
 92. Id., 146.
 93. Id., 146.
 94. Id., 133.
 95. Id., 133-134. Notice, too, that in the passage quoted in the text, Duff C.J. spoke only of federal power to legislate for the "protection" of public discussion, thereby leaving open the possibility that even the federal Parliament could not curtail public discussion. This ambiguity, along with the general tenor of the opinion, became the seed of the "implied bill of rights" theory: see Laskin, *Canadian Constitutional Law* (4th ed. rev., 1975), 900.20-900.25, and notes 120, 144, 155 below.
 96. See p. 303, above.
 97. [1938] SCR 100, 134.
 98. He effectively underlined the word substantial by saying at the end of his judgment that he did not "find it necessary to express an opinion upon the concrete question whether or not this particular measure is invalid as exceeding the limits indicated above": [1938] SCR 100, 135. He did not need to reach a conclusion because of his view that the legislation was invalid as ancillary to the general scheme of social credit legislation.
 99. [1938] SCR 100, 144.
 100. See pp. 312-14, below.
 101. [1953] 2 SCR 299; [1953] 4 DLR 641. The DLR report contains translation of those judgments that were delivered in French.
 102. The formal order of the court, which had to be carefully framed to give effect to Kerwin J.'s reasoning, is set out in the DLR report of the case: [1953] 4 DLR 641, 728.
 103. [1953] 2 SCR 299, 309 per Rinfret C.J. with whom Taschereau J. concurred; 381 per Cartwright J. with whom Fauteux J. concurred; Cartwright J. also held (at 381) that the by-law was in relation to "police regulations and the suppression of conditions likely to cause disorder," and he cited authorities (at 383) in support of the position that this was a matter within provincial power.
 104. [1953] 2 SCR 299, 333 per Rand J.
 105. Id., 338 per Kellock J.
 106. Id. 323-324 per Kerwin J.; 361 per Estey J. who only discusses religion (not speech); 368-369 per Locke J.
 107. Id., 331 per Rand J.; 353-355 per Kellock J.; 373-375 per Locke J.
 108. See p. 310, above.
 109. [1953] 2 SCR 299, 359-360 per Estey J.
 110. Id., 323-324 per Kerwin J.
 111. See p. 311, above.
 112. See p. 311, above.
 113. [1953] 2 SCR 299, 386.
 114. Id., 387.
 115. [1957] SCR 285.
 116. Id., 294-295.
 117. Id., 305.
 118. Id., 306.
 119. Id., 326.
 120. Id., 326-328. He also asserted (at 328), *obiter*, that such a law would be outside the competence of the federal Parliament as well, a point which Rand J. (at 307) explicitly left open. Abbott J.'s dictum is the clearest expression in the Supreme Court of Canada of the "implied bill of rights" theory: see note 95, above.
 121. Id., 288 per Kerwin C.J., 314 per Nolan J. with whom Locke J. concurred, 316 per Cartwright J., 318 per Fauteux J.
 122. February 2, 1976, unreported.
 123. *Nova Scotia Board of Censors v. McNeil* (1975), 55 DLR (3d) 632.
 124. Reasons for judgment, pp. 317-18.
 125. See p. 310, above.
 126. See p. 310, above.
 127. See p. 311, above.
 128. See p. 312, above.
 129. Even so, its correctness on this point has been doubted in light of recent cases discussed in the next paragraph of the text: see Paul C. Weiler, "The Supreme Court and the Law of Canadian Federalism" (1973) 23 U. of Toronto L.J. 307, 357.
 130. *PATA v. A.-G. Can.*, [1931] AC 310, 324.
 131. *Margarine Reference* [1949] SCR 1, 50. See p. 318, below.
 132. [1960] SCR 804.
 133. [1966] SCR 238.

134. [1960] SCR 823.
135. [1960] SCR 776.
136. In each of these cases there was, of course, also an issue of paramountcy: whether the provincial law was in conflict with a provision of the Criminal Code. This issue was also decided in each case in favour of the provincial law. The existence of the Criminal Code provisions was strictly relevant only to the issue of paramountcy, but I have recited them to show how close the provincial laws were to undoubtedly valid federal criminal laws.
137. In *Johnson v. A.-G. Alta.*, [1954] SCR 127, the Supreme Court of Canada divided evenly on the question of the validity of a provincial statute denying property rights in slot machines, and providing a procedure for confiscation of slot machines. Locke, Cartwright, and Kellock JJ. held the law to be invalid as a criminal law, while Kerwin, Estey, and Taschereau JJ. held the law to be valid as a property law. Rand J. did not decide the constitutional question, holding the law inoperative for conflict with the gambling provisions of the Criminal Code. There was no majority on the constitutional question; but the ultimate result, dictated by Rand J.'s casting vote, is very hard to reconcile with the later decisions in *O'Grady*, *Mann*, *Stephens* and *Smith*, which have just been discussed in the text; these later cases appear to vindicate the reasoning of all three dissenting judges in *Johnson*. For an excellent analysis of all these cases, see Paul C. Weiler, "The Supreme Court and the Law of Canadian Federalism" (1973) 23 U. of Toronto L.J. 307, 352-360.
138. There is, of course, a prohibition, coupled with a penalty, on the sale or exhibition of uncensored material, but this is in order to enforce recourse to the administrative process. Most provincial laws contain such enforcement provisions, enacted under s. 92(15) of the BNA Act.
139. The criminal law may also include preventive measures, such as s.160 of the Criminal Code authorizing seizure of obscene literature; but s.160 would almost certainly be unconstitutional if s.159 had not made the publication and distribution of obscene literature a crime.
140. In *A.-G. Ont. v. Koynek*, [1941] 1 DLR 548 Kelly J. of the Ontario High Court held that an Ontario law authorizing the issue of an injunction to restrain the publication of obscene literature was invalid as a criminal law. This law did not make use of an administrative tribunal, and it was held to be merely supplementary of the Criminal Code. In any event, the decision was reversed on appeal on other grounds: Note [1941] 1 DLR 554. In *R. v. Board of Cinema Censors of Quebec; Ex parte Montreal Newsdealers Supply Co.* (1967), 69 DLR (2d) 512, Batschaw J. of the Quebec Superior Court held that a Quebec law authorizing the censorship of magazines by the Board of Cinema Censors was invalid as a criminal law. For the reasons given in the text, this case seems to me to be wrongly decided.
141. Paul C. Weiler, "The Supreme Court and the Law of Canadian Federalism" (1973) 23 U. of Toronto L.J. 307, 342-352. There is some force in Weiler's criticism (at 399) that the Court has used federalism as a kind of surreptitious bill of rights, allocating jurisdiction to that level of government which has not exercised it in order to invalidate a law that it really believes should not be enacted at all. But I think he presses the argument too far in asserting (at 347) that there is a "logical difficulty" in classifying a law for federalism purposes in terms of the law's impact on civil liberties. Now, to be sure, there is always room for dispute as to the appropriate classification of any disputed law; but surely there is no logical difficulty in classifying the laws in *Alberta Press*, *Saumur* and *Switzman* as being in relation to freedom of speech, on the ground that their primary purpose and effect was to suppress the expression of political or religious ideas. Weiler says (at 347) that classification of laws should be in terms of the "objectives or reasons" of the Legislature (excluding, I suppose, the effects of the laws), but why does this formula exclude the possibility that the suppression of ideas may be the objective of or reason for the law?
142. The dicta in *Alberta Press*, *Saumur* and *Switzman* have been described above pp. 309-12. To these references could be added the opinions of Rand and Estey JJ. in *Winner v. SMT Eastern*, [1951] SCR 887; revd. in part, but without reference to this issue, *sub nom. A.-G. Ont. v. Winner*, [1954] AC 541.
143. Bora Laskin, "An Inquiry into the Diefenbaker Bill of Rights" (1959) 37 Can. Bar Rev. 77, 99-125; *Canadian Constitutional Law* (4th ed. rev., 1975), 900.24.
144. I am persuaded by the argument that the expression of ideas has a national dimension that takes it out of property and civil rights "in the province" or matters of a merely local or private nature "in the province". I do not recoil from the conclusion that the federal Parliament has the constitutional power to suppress or limit freedom of speech, because in my view the alternative, which is the implied bill of rights theory, is not a plausible interpretation of the BNA Act.
145. See p. 310, above.
146. E.g., *R. v. Harrold* (1971), 19 DLR (3d) 471 (BCCA); *R. v. Young* (1973), 1 OR (2d) 564 (Ont. C.A.). Cf. *Courchone v. Marlborough Hotel Co.* (1971), 20 DLR (3d) 109 (Man. Q.B.).
147. See p. 312, above.
148. See p. 310, above.
149. [1953] 2 SCR 299, 333.
150. See p. 313, above.
151. See p. 312, above.
152. Reasons for judgment, p. 15.
153. See pp. 313-14, above.
154. Ibid.
155. None of the judges indicated any support for the implied bill of rights theory, under which neither Parliament nor the Legislatures could impair freedom of speech: see notes 95, 120, 144, above. Of course, if Parliament did enact a censorship law the question would arise whether or not it was in conflict with the Canadian Bill of Rights, which is applicable only to federal laws.
156. See p. 319, below.
157. But see *R. v. CKOY Ltd.* (1976) 70 DLR (3d) 662 (Ont. C.A.).
158. Only one statute has been held to be in conflict *R. v. Drybones* [1970] SCR 282.
159. This clause has been included once: Public Order (Temporary Measures) Act, 1970, SC 1970-71-72, c.2, s.12.
160. On the role of the police, see *McCleave v. City of Moncton* (1902), 32 SCR 106; on the role of the prosecutor, see Annotation to *R. v. Pelletier* (1975), 28 CR NS 160. These are two leading references from a vast literature.
161. Section 92 allocates only legislative power, but it is well established that the BNA Act implicitly grants executive power corresponding to the heads of legislative power.

162. This has been distinctly decided in *Di Iorio v. Warden of the Common Jail of Montreal*, SC Can., April, 1976, not yet reported, laying to rest the theory that provincial enforcement of federal criminal law had to derive from a delegation by the federal Parliament to provincial law enforcement officials. The delegation theory was espoused by Laskin C.J. and de Grandpré J. in dissent: Reasons for Judgment of Laskin C.J. at p. 27; but the other seven judges held that the enforcement of criminal law derived from s. 92(14). On this basis, the majority upheld the constitutionality of a Quebec inquiry into organized crime. For further authority, see *R. v. Pelletier* (1974), 4 OR (2d) 677, 683-684 (Ont. C.A. per Estey J.); G.V. La Forest, "Delegation of Legislative Power in Canada" (1975) 21 McGill L.J. 131, 133.
163. The first decision is *Re Collins and the Queen*, [1973] 2 OR 301. This decision of Donnelly J. in the HC Ont. was appealed to the Ont. CA., but the CA held that the appeal abated when Collins died before a decision had been rendered and accordingly did not deal with the appeal on the merits: *Re Collins and the Queen*, [1973] 3 OR 672. The second decision is *R. v. Pelletier* (1974), 4 OR (2d) 677; annotated in (1975) 28 CRNS 160. This is a decision of the Ont. CA., and leave to appeal to the Supreme Court of Canada was refused on October 11, 1974. In this case Estey J. for the court suggested a possible alternative basis for the federal power to enforce criminal law. He said that if it were the case that the provincial power over the administration of justice under s. 92(14) had by implication removed the prosecutorial function from s. 91(27), "it may then be found that a matter of national concern arises", and that under the peace, order, and good government power "a revival of the related executive function would take place": 4 OR (2d) 679, 703. However, his lordship did not appear to support the suggested narrower interpretation of s. 91(27), because much of his opinion is given over to the citation of authority for the proposition that the power to make criminal law carried with it the power to enforce any laws so made.
164. In *R. v. Pelletier* (1974), 4 OR (2d) 677, 702 Estey J. left this point open: "the most difficult potential issue is deferred to another day and another Court."
165. *R. v. Pelletier* (1974), 4 OR (2d) 677, 703 per Estey J.; *Di Iorio v. Warden of the Common Jail of Montreal*, SC Can., April 1, 1976, not yet reported, at p. 13 per Dickson J., at p. 5 per Beetz J.
166. The criminal law is, of course, a federal responsibility under s. 91(27) of the BNA Act.
167. This issue has been controversial in many cases and has produced many decisions which are divided and many which are difficult to reconcile with each other: see, for example, *Bedard v. Dawson* [1923] SCR 681; *Provincial Secretary of PEI v. Egan* [1941] SCR 396; *Johnson v. A.-G. Alta.* [1954] SCR 127; *Switzman v. Elbling* [1957] SCR 285.
168. P.E. Trudeau, *Federal-Provincial Grants and the Spending Power of Parliament* (Government of Canada Working Paper on the Constitution, 1969), 8-14.
169. La Forest, *The Allocation of Taxing Power under the Canadian Constitution* (1967), 36-41; Laskin, *Canadian Constitutional Law* (4th ed. rev., 1975), 637-638; Smiley, *Conditional Grants and Canadian Federalism* (1963), Ch. 11; W.R. Lederman, "Some Forms and Limitations of Cooperative Federalism" (1967) 45 Can. Bar Rev. 409, 428-433.
170. *Angers v. MNR.*, [1957] Ex. CR 83.
171. *A.-G. Can. v. A.-G. Ont.*, [1937] AC 355, 366-367 per Lord Atkin.
172. The only discussion I have been able to find is La Forest, *The Allocation of Taxing Power under the Canadian Constitution* (1967), 60-62, an admirable account to which I am indebted.
173. The recipient who needs the loan or conditional grant may not accept the obligations "voluntarily" in the broadest sense of that term, but there is a clear legal distinction in my view between the contractual or quasi-contractual assumption of any obligation and the compulsory imposition of an obligation.
174. *Reference re Employment and Social Insurance Act*, [1936] SCR 427, 434 per Duff C.J. dissenting. Of course, this makes the words "for provincial purposes" virtually meaningless, but the phrase "with provincial objects" in s. 92(11), "the incorporation of companies with provincial objects", has met a similar fate.
175. *Smylie v. R.* (1900), 27 OAR 172; *Brooks-Bidlake and Whittall Ltd. v. A.-G. BC.*, [1923] AC 450; cited by La Forest, *The Allocation of Taxing Power under the Canadian Constitution* (1967), 61.
176. See p. 316, above.
177. *The Queen (Ont.) v. Board of Transport Commrs.*, [1968] SCR 118.
178. La Forest, *The Allocation of Taxing Power under the Canadian Constitution* (1967), 62. He gives other examples as well.
179. See pp. 309-15, above.
180. See p. 315, above.
181. *Re Capital Cities Communications*, [1975] FC 18; *Kellogg's Co. of Canada v. A.-G. Que.*, Que. CA., June 20, 1975, not yet reported; *McNeil v. The Queen*, NS App. Div., February 2, 1976, not yet reported.
182. See p. 316, above.
183. See p. 317, above.
184. See p. 316, above.
185. See p. 317, above.
186. In *Re Public Utilities Commn. and Victoria Cablevision Ltd.* (1965), 51 DLR (2d) 716, the litigation was over a provincial demand for information from the cable companies; the BCCA held that provincial demand was unconstitutional, assuming, I think rightly, that the power to compel information followed the power to regulate. In *Di Iorio v. Warden of the Common Jail in Montreal*, SC Can., April 1, 1976, not yet reported, the SC Can. upheld the validity of an inquiry into organized crime to be conducted with provincially granted coercive powers by the Quebec Police Commission; the SC Can. assumed that the province had to have a specific legislative power to empower such an inquiry, and the majority found it in s. 92(14) of the BNA Act.
187. See pp. 303-9, above.
188. See pp. 302-3, above. A distinction would probably have to be made between production and distribution of those forms of the media which are produced for more than one jurisdiction: p. 303, above.
189. See p. 317, above.
190. See p. 317, above.
191. Customs Tariff Act, RSC 1970, c. C-41, s.14 and Schedule C.
192. *Reference re Validity of s.5(a) of the Dairy Industry Act*, [1949]

- SCR 1; affd. *sub nom. Canadian Federation of Agriculture v. A.-G. Que.* [1951] AC 179.
193. Six of the seven judges distinctly decided this. Only Locke J. did not express an opinion on the point. The appeal to the Privy Council did not include the question of importation.
 194. In *Gold Seal Ltd. v. Dominion Express Co.*, (1921), 62 SCR 424 in SC Can., while upholding federal power to prohibit the importation of liquor, was not clear as to whether the power derived from s. 91(2) or from the opening words of s. 91 ("peace, order, and good government"). But the *Margarine Reference*, note 192 above, and *Caloil Inc. v. A.-G. Can.*, [1971] SCR 543 make clear that the power is derived from s. 91(2).
 195. In the *Local Prohibition* case, *A.-G. Ont. v. A.-G. Can.*, [1896] AC 348, the reference to the court included the question whether a province could prohibit the importation of liquor into the province. The Privy Council's opinion gave a negative answer, but the formal order of the court gave an equivocal answer: Laskin, *Canadian Constitutional Law* (4th ed. rev., 1975), 139. The judgments in *Gold Seal* and the *Margarine Reference* make clear either by express words or by implication that the negative answer was the correct one.
 196. Section 122 of the BNA Act, which expressly refers to customs and excise, is a transitional provision only, and no longer of any practical importance except in so far as it confirms that s. 91(3) must be read as including customs duties: La Forest, *The Allocation of Taxing Power under the Canadian Constitution* (1967), 7, 31.
 197. The dual basis of customs duties is expressed in the *Johnny Walker* case, *A.-G. BC v. A.-G. Can.*, [1924] AC 222; and it makes good sense in light of the close connection between the regulation or prohibition of importation and customs duties.
 198. *A.-G. BC v. McDonald Murphy Lumber Co.*, [1930] AC 357 and see note 196, above. For general discussion of the distinction required by the BNA Act between direct and indirect taxes, see La Forest, *The Allocation of Taxing Power under the Canadian Constitution* (1967), Ch. 4.
 199. See p. 318, above.
 200. See p. 319, above.
 201. See La Forest, *The Allocation of Taxing Power under the Canadian Constitution* (1967), Ch. 4.
 202. *Re Insurance Act of Canada*, [1932] AC 41.
 203. *A.-G. Alta. v. A.-G. Can.*, [1939] AC 117.
 204. *Texada Mines Ltd. v. A.-G. BC.*, [1960] SCR 713.
 205. See p. 317, above.
 206. [1954] AC 541.
 207. *Coughlin v. Ontario Highway Transport Board*, [1968] SCR 569; *R. v. Smith*, [1972] SCR 359.
 208. This issue is before the SC Can. at the time of writing, on appeal from the NS Appeal Division in *McNeil v. The Queen*, February 2, 1976, not yet reported.
 209. The one kind of federal inter-delegation which is inadmissible is a delegation to the primary legislating body (the federal Parliament or provincial Legislature) of the other level of government: *A.-G. NS v. A.-G. Can.*, [1951] SCR 31; but a delegation to a subordinate body of the other level of government is valid: *PEI Potato Marketing Board v. Willis*, [1952] 2 SCR 392; see generally W.R. Lederman, "Some Forms and Limitations of Co-operative Federalism" (1967) 45 Can. Bar Rev. 409.
 210. Cable Carrier Hardware Arrangement. See House of Commons, *Debates*, November 10, November 16, and December 7, 1976.
 211. Bill C-43, *An Act Respecting Telecommunications in Canada*, First Reading March 22, 1977.

